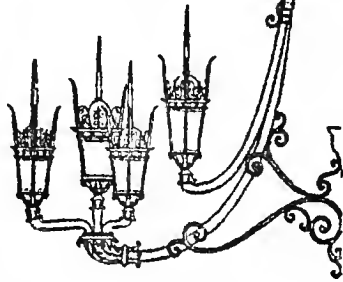


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The City of Boston

Massachusetts



Comprehensive Annual Financial Report

For the Fiscal Year Ended June 30, 1994



COUNCILOR BRIAN McLAUGHLIN
BOSTON CITY COUNCIL
BOSTON CITY HALL
ONE CITY HALL PLAZA
COUNCIL CHAMBERS, 5th FLOOR
BOSTON, MA 02201

City of Boston

Massachusetts

Comprehensive Annual Financial Report

For the Fiscal Year Ended June 30, 1994

Thomas M. Menino, Mayor

John C. Simmons, Chief Financial Officer

Sally D. Glora, City Auditor



Prepared by the City of Boston Auditing Department



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Comprehensive Annual Financial Report

For the Fiscal Year Ended June 30, 1994

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INTRODUCTORY SECTION

December 22, 1994

*The Honorable Mayor and
Members of the City Council:*

We are pleased to submit to you the Comprehensive Annual Financial Report (CAFR) of the City of Boston for the fiscal year ended June 30, 1994. The accuracy of the financial statements together with the completeness and fairness of their presentation are the responsibility of City management. The enclosed data are accurate in all material respects and, all disclosures necessary have been included to present fairly the financial position of the City. The financial position and results of operations of the various funds and account groups have been prepared in accordance with generally accepted accounting principles (GAAP), as established by the Governmental Accounting Standards Board (GASB). The requirements of state finance law for the Commonwealth of Massachusetts and the City Charter have also been satisfied.

The report is presented in three sections: (1) the Introductory Section includes general information about the City and summarizes financial activity for the fiscal year; (2) the Financial Section includes the Independent Auditors' Report on the City's financial statements, the General Purpose Financial Statements and the Combining Financial Statements and Schedules for the various funds and account groups; and (3) the Statistical Section contains financial data, debt computations, and a variety of demographic, economic and general information about the City.

In addition to all funds and account groups of the City, the report includes component units in the City's reporting entity because of the significance of their operational or financial relationship with the City as required by GASB #14. The following component units are included in the General Purpose Financial Statements: Boston Redevelopment Authority, Trustees of Health and Hospitals, Economic Development Industrial Corporation, State-Boston Retirement System and Trustees of the Boston Public Libraries. The adoption of GASB #14 did not change the individual component units or their method of inclusion in the financial statements from the prior year.

The Commonwealth of Massachusetts, through Chapter 190 of the Acts of 1982, requires that the City undergo an annual audit performed by a firm of independent public accountants. The City has selected the firm of KPMG Peat Marwick to perform the June 30, 1994 audit. This audit is conducted in accordance with generally accepted auditing standards and Government Auditing Standards issued by the Comptroller General of the United States. The audit provides an independent review to help assure a fair presentation of the City's financial position and results of operations.

The City also undergoes an annual audit of its Federal grant funds as required by the Single Audit Act of 1984. KPMG Peat Marwick issues separate reports on the City's internal control systems and compliance with applicable laws and regulations which meet the requirements of the Single Audit Act and Office of Management and Budget Circular A-128.



Thomas M. Menino, Mayor / AUDITING DEPARTMENT / Boston City Hall / City Hall Plaza 02201

Economic Conditions and Outlook

The City is the economic hub of both the Commonwealth of Massachusetts and the New England region. It is a center for professional, business, financial, higher education and medical services as well as transportation, communication, export, cultural and entertainment activities. Boston is a historical and tourist center attracting an estimated 9.1 million visitors in 1994. Boston is also the state capital and the host to several Federal agency offices. High technology, research and development, manufacturing and wholesale distribution also contribute to the economy of the City and its suburbs.

The City continues to recover from the recent recession and has gained strength from the retail, hotel, and office market sectors. Consumer spending during 1994, in both nominal and real terms, showed significant improvement compared to 1993. Spending on durable goods is especially encouraging. The City's hotel stock continues to add new rooms while maintaining occupancy and room rates well above the national average. According to a survey by CB Commercial Coldwell Banker, Boston ranks as the fifth best among the top twenty cities when measuring vacancy rates in office space. Strong sales and stable prices in residential real estate, over \$1 billion of private development construction investment in fiscal year 1994 and several large public sector projects which will improve the infrastructure of the City serve as indicators that the economy is poised for continued growth.

The outlook for the economy is positive. Steady growth and low inflation are expected for the near future. Employment levels continue to increase, and the unemployment rate is declining. The creation of jobs, as a means of economic stimulus, is the predominant policy supported by the City and State. Growth in the small business sector, especially among women and minority-owned companies will continue to accelerate. To assist small businesses with their needs, the City has established an office to provide consulting services and referrals to lending sources. The creation of an Economic Development Office, tax incentives and training programs are methods by which the State is encouraging local investment. The diversity among industries, an educated workforce and stability in the national economy support the recovery of the local economy.

Major Initiatives

Thomas M. Menino was elected Mayor in November 1993 to serve a four-year term which will end in January 1998. Prior to his election, Mayor Menino served for approximately four months as acting Mayor when Raymond L. Flynn was appointed the United States Ambassador to the Vatican. Mayor Menino pledged his commitment to a safe, peaceful community, economic vitality and a well-managed City government that is responsive to its citizens. Boston's Five-Year Capital Plan 1994-1998, entitled "Getting the Job Done", includes 409 projects totalling \$889.4 million. The underlying framework for the plan emphasizes: (1) the strategic use of infrastructure to promote economic development and public safety; (2) comprehensive planning to lay the foundation for future growth; and (3) effective government management to provide leadership and vision.

CURRENT PROJECTS

The 1994 Capital Plan includes priority projects ranging from improving Boston's neighborhoods by enhancing schools and recreational facilities to new planning studies of the waterfront districts and the South Bay industrial area. Major themes also include:

- * Economic Development - Revitalization of Boston's main streets and neighborhood business districts will continue to be supported through the restoration of infrastructure such as roads, sidewalks, street lights, and community facilities. The Blue Hill Avenue business district is one of the many projects supported through this strategy.
- * Public Safety - Construction of the new \$62.1 million police headquarters in the Southwest Corridor and the replacement of the South End Area D police station are two of the key projects under this heading.
- * Public Education - As a result of the State's Education Reform Act of 1993, the City will open six Pilot Schools for the next school year. Applications for sixteen Charter Schools have been received and five have been chosen from this group to commence operations. There is also a focus on the expanding role of schools as centers of community learning. A blue-ribbon commission has been named by Mayor Menino to make long-term plans for school construction and renovation. English as a Second Language (ESL) will be broadcast on local cable television in six languages of origin to assist in the assimilation of immigrants to the community. The Hyde Park Library renovation and the construction of the new Allston facility are examples of how the neighborhood-based branch library system will support the learning continuum.
- * Health and the Environment - The new Boston City Hospital (BCH) which opened in January, 1994 is the most ambitious capital construction project ever undertaken by the City. A teaching hospital affiliated with Boston University School of Medicine, BCH provides a full range of inpatient and outpatient services. The feasibility of a proposed merger with a private teaching hospital is also being studied. Environmental programs include curbside recycling being expanded Citywide to promote greater participation in saving our planet's resources for future generations.
- * Government Effectiveness - Mayor Menino has implemented an executive branch structure of government consisting of nine cabinet members to delineate the major functional responsibilities of City government, to facilitate further reorganization and to eliminate duplication and waste in administering City services. By combining like functions and identifying one responsible individual, the cabinets are designed to improve coordination, encourage teamwork and enhance accountability.

FUTURE PROJECTS

During the balance of the 1990's, the Boston metropolitan area will be the site of several major public sector projects. The depression of the Central Artery, the construction of a four-lane tunnel under Boston Harbor leading to the airport, and several other smaller transportation projects are estimated to cost over \$7.7 billion. In addition, the Massachusetts Water Resources Authority is constructing one of the largest wastewater treatment facilities in the nation. The project is designed to bring wastewater discharge in Boston Harbor into compliance with Federal and State requirements at an expected cost of \$4.8 billion. Furthermore, a \$1.2 billion modernization project of Logan Airport, undertaken by the Massachusetts Port Authority, is also underway. This program will enhance Logan's aging terminals, improve traffic circulation within the airport and centralize parking facilities to create a more efficient and passenger-friendly airport.

SERVICE ACCOMPLISHMENTS

The 1995 budget process incorporated the need to provide Boston's residents with government that is less costly, more effective and more accountable by shifting the focus from goal setting to performance measurement. Managers were directed to think more about results and what their department achieved for their customers and how to be more accountable to those customers. Departments developed measurable goals that reflected the Mayor's priorities and the mechanism to report progress toward these goals began to take shape.

Accounting System and Budgetary Control

The accounts of the City are organized on the basis of funds and account groups, each of which is considered to be a separate accounting entity. The operations of each fund are accounted for by providing a separate set of self-balancing accounts which comprise each fund's assets, liabilities, fund balance, revenues and expenses. An integrated computerized financial accounting system is maintained by the Auditing Department to record transactions within these accounts. The Auditing Department also maintains an encumbrance accounting system. This system accounts for the City's purchase orders, service orders and other contractual commitments. The City budgets and maintains its books and records on a statutory basis of accounting prescribed by the Commonwealth of Massachusetts. This basis of accounting differs from generally accepted accounting principles.

The City's management is responsible for establishing and maintaining internal accounting controls designed to provide reasonable, but not absolute, assurance that the assets of the City are safeguarded from loss, theft or misuse. In addition, the internal control structure reasonably assures that adequate accounting data are compiled to allow for the preparation of financial statements in conformity with generally accepted accounting principles. The concept of reasonable assurance recognizes that: (1) the cost of a control should not exceed the benefits likely to be derived; and (2) the evaluation of costs and benefits requires estimates and judgements by management. The City Auditor is responsible for evaluating the adequacy and effectiveness of the control structure, and a periodic evaluation of the control structure's effectiveness is conducted by the Auditing Department.

In addition to its internal control structure, the City also maintains budgetary controls. The objective of these controls is to ensure compliance with the legally mandated budget adopted by the City Council. Activities of the General Fund are included in the annual budget. The budgets within the Special Revenue Fund are established based on specific grant requirements or specific legislation, but are not subject to City Council approval. The Capital budget reflects long-term needs financed primarily through issuance of bonds. This multi-year budget is subject to approval by the City Council. Specific budgets are established for each capital project prior to its inception.

The level of budgetary control is established by the function and activity within the individual fund. Budgetary control in this context means the level at which expenditures cannot legally exceed the appropriated amount. In the case of the General Fund, this control is at the department level. In the case of the Special Revenue and Capital Projects Funds, the control is at the grant or project levels respectively. All of these budgetary controls reside within the City's financial system and are monitored by the Office of Budget Management and the Auditing Department to ensure compliance.

The Single Audit Act of 1984 (PL 98-502) requires the City to have an independent audit conducted annually of the federal financial assistance it has received. This audit is conducted simultaneously with the City's annual financial statement audit.

A significant portion of the Single Audit work is devoted to evaluating the City's internal control structure. The evaluation includes tests of a significant number of individual federal grant transactions that occurred during the fiscal year. The Single Audit work also requires that the auditor, "Determine whether the organization has complied with laws and regulations that may have a material effect on each major federal financial assistance program."¹ All of the City's major federal programs (those programs with annual expenditures of more than \$3 million) and a sample of non-major programs are evaluated for the adequacy of internal controls and compliance with laws and regulations.

The City's Single Audit report for the year ending June 30, 1994 included no instances of material weaknesses in the internal control structure, nor were any significant violations of the applicable laws and regulations found. The report will be publicly issued under a separate cover. In addition to the annual audit of the federal financial assistance, the City also identifies specific grants received from the State for compliance and internal control review by the external auditors.

¹ Source: Office of Management and Budget, Circular A-128 Audits of State and Local Governments, paragraph 8.b.

General Government Functions

The City of Boston, incorporated as a town in 1630 and as a city in 1822, now exists under Chapter 486 of the Acts of 1909 and Chapter 452 of the Acts of 1948 of the Commonwealth of Massachusetts which, as amended, constitute the City's Charter. Combining individual fund and account group statements and schedules may be found in the Financial Section of this report. Presented in the following sections are selected financial data reported on a GAAP basis related to the operations of the General Fund, Special Revenue Funds, Capital Projects Funds, Debt Service Fund as well as Trust and Agency Funds administered by the City.

GENERAL FUND

An undesignated fund balance of \$80.0 million was reported at June 30, 1994 as compared to \$64.2 million in 1993. The following schedules present a summary of General Fund revenues, expenditures and other financing uses along with the amount and percentage increase or decrease in relation to the prior year:

Revenues:	Comparative General Fund Revenues GAAP Basis (\$ Thousands)				Increase	
	1994	%	1993	%	(Decrease)	%
Property Taxes	\$612,460	53.2	\$586,532	53.0	\$25,928	4.4
Excise Taxes	49,311	4.3	55,597	5.0	(6,286)	(11.3)
Payments in lieu of Taxes	48,083	4.2	49,115	4.4	(1,032)	(2.1)
Fines	47,252	4.1	51,157	4.6	(3,905)	(7.6)
Investment Income	10,752	0.9	8,755	0.8	1,997	22.8
Licenses and Permits	16,839	1.4	16,353	1.5	486	3.0
Departmental and Other Revenue	35,338	3.1	33,066	3.0	2,272	6.9
State Distributions	331,431	28.8	305,908	27.7	25,523	8.3
Total Revenues	\$1,151,466	100.0	\$1,106,483	100.0	\$44,983	4.1

Total revenues for 1994 amounted to \$1.2 billion, an increase of \$44.9 million or 4.1% over 1993. Property tax revenues increased by \$25.9 million, due to an increase in tax rates and new growth. Distributions from the Commonwealth increased by 8.3% (\$25.5 million) to \$331.4 million. The increase in funding from the State for school programs accounted for more than \$21.0 million of this increase. These increases were partially offset by decreases in revenues from motor vehicle and other excise taxes of \$6.3 million.

Comparative General Fund Expenditures and Other Financing Uses

GAAP Basis
(\$ Thousands)

Expenditures:	1994	%	1993	%	Increase (Decrease)	%
General Government	\$35,595	3.5	\$36,501	3.7	(\$906)	(2.5)
Human Services	5,187	0.5	4,903	0.5	284	5.8
Public Safety	252,668	24.7	235,421	24.0	17,247	7.3
Public Works	59,481	5.8	53,864	5.5	5,617	10.4
Property and Development	21,528	2.1	21,543	2.2	(15)	(0.1)
Parks and Recreation	9,776	1.0	10,399	1.1	(623)	(6.0)
Library	21,436	2.1	21,028	2.1	408	1.9
Schools	405,372	39.6	370,832	37.8	34,540	9.3
County Corrections	10,511	1.0	11,096	1.1	(585)	(5.3)
Judgements and Claims	8,256	0.8	7,640	0.8	616	8.1
Employee Benefits	71,175	7.0	68,216	7.0	2,959	4.3
Retirement Costs	59,502	5.8	81,499	8.3	(21,997)	(27.0)
State and District Assessments	58,272	5.7	55,163	5.6	3,109	5.6
Capital Outlays	4,184	0.4	3,139	0.3	1,045	33.3
Total Expenditures	1,022,943	100.0	981,244	100.0	41,699	4.2
Other Financing Uses, Net	111,236		116,520		(5,284)	(4.5)
Total Exp. and Other Financing Uses	\$1,134,179		\$1,097,764		\$36,415	3.3

Expenditures increased to \$1.0 billion in 1994. This is an increase of \$41.7 million or 4.2% over 1993. Spending for the School Department increased by \$34.5 million to \$405.4 million accounting for nearly 40% of all monies spent by the City. Increased enrollment in the school system, funding for a new teachers' contract and increased costs for Equal Education Opportunity Grant (EEOG) requirements contributed to the increase in school spending. As a result primarily of new collective bargaining agreements with unions representing Fire and Police personnel, expenditures for Public Safety increased by \$17.2 million over 1993. Spending increases for Public Works (\$5.6 million), State Assessments (\$3.1 million), Employee Benefits (\$3.0 million), and Capital Outlays (\$1.0 million) also increased over last year's levels. These increases were partially offset by a decrease in Retirement Costs of \$22.0 million. Special revenue contributions for retired Suffolk County personnel, State contributions for the Early Retirement Incentive for Teachers as well as actuarial gains and updated calculations of funding requirements account for this decrease in Retirement Costs.

SPECIAL REVENUE FUNDS

The designated and undesignated fund balances for the Special Revenue Funds increased to \$1.8 million and \$35.8 million respectively in 1994. The U.S. Housing and Urban Development office (HUD) approved a Section 108 Loan Guarantee Assistance application submitted by the City for the construction of a hotel and parking facilities at the World Trade Center. Proceeds of \$ 20.0 million, which ultimately will be loaned to developers of the project, have been received by the City and are included in this fund. Total revenues increased by \$7.9 million to \$181.6 million and total expenses increased by \$ 3.3 million to \$ 180.1 million for the period ending June 30, 1994.

CAPITAL PROJECTS FUNDS

Revenues for the Capital Projects Fund decreased by \$19.7 to \$19.6 million for 1994. In 1993, revenue of \$14.1 million from the sale of property to the State for the Central Artery/Tunnel project was realized. No revenue from Sale of Property was received during 1994 which accounts for most of the decrease. Expenses decreased by \$ 4.6 million to \$ 92.7 million for the period. The fund balance for the Capital Projects Fund decreased to \$ 63.4 million in 1994.

DEBT SERVICE FUND

Expenditures for the Debt Service Fund increased by \$1.2 million to \$89.3 million for the period. These expenditures consist primarily of principal and interest payments made on new and existing debt. In February, 1994, the City completed a bond issue of \$85.9 million to advance refund \$74.3 million of debt. These bonds had an average interest rate of 7.3% which was reduced to an average rate of 4.5% on the new bonds. This refunding issue resulted in a reduction of \$19.2 million in debt service payments over the remaining lives of the bonds.

ENTERPRISE FUNDS

The City's Enterprise Fund consists of the operations of the Department of Health and Hospitals (DHH), the Trustees of Health and Hospitals (THH), and the Economic Development and Industrial Corporation (EDIC). Operating revenues for the Enterprise Funds increased by \$32.3 million to \$313.2 million and expenses increased by \$40.4 million to \$357.3 million for the period. Revenues for DHH increased by \$33.6 million due to increased patient volume and reimbursements received as a result of legislation concerning hospitals that serve a disproportionate number of indigent patients. Expenses increased by \$26.4 million mainly due to the opening of the new Boston City Hospital, one-time costs associated with an early retirement incentive program and additional support to community services and special programs.

TRUST AND AGENCY FUNDS

The Trust and Agency Funds are used to account for trustee and agency relationships that the City maintains with its employees, other governments (Federal and State), private corporations and individual donors and benefactors. The City's largest Trust Fund is the State-Boston Retirement System (SBRS). Information about this fund is included in the following section entitled "Pension Funds." The resources of the nonexpendable and expendable trust funds are used primarily to provide additional benefits to the City's residents and the City's employees. Monies from these funds are used for certain infrastructure improvements, purchase of equipment, scholarships for Boston Public School students, and jobs and affordable housing for the neediest residents of the City. The City also holds funds as an agent primarily for other governmental units. Most of the funds held within the agency funds are to provide for urban development and housing initiatives or an employee deferred compensation plan.

In aggregate, the trust funds had a total equity of \$1.6 billion in 1994. This reflects an increase of \$196.8 million over the \$1.4 billion balance of 1993. Employee retirement funds account for approximately \$1.5 billion of the total equity amount.

Debt Administration

Direct debt of the City consists principally of the City's outstanding general obligation bonds. On June 30, 1994 the City had outstanding approximately \$528.6 million of long-term fixed interest rate bonds. All direct debt of the City requires the authorization of the City Council and approval of the Mayor. If the Mayor should veto a loan order passed by the City Council, the Charter of the City provides that the loan order is void and may not be passed over the Mayor's veto. The laws of the Commonwealth provide for a general debt limit for the City consisting of a Normal Debt Limit and a Double Debt Limit. The Normal Debt Limit is 2 1/2% of the valuation of taxable property in the City as last equalized by the State Department of Revenue. The City may authorize debt up to this amount without State approval. The City is also indirectly liable for a portion of debt incurred by the Massachusetts Bay Transportation Authority (MBTA). Additional analysis of the City's debt position, located in the Statistical Section of this report, includes an assumed portion of the net debt of the MBTA based on the City's proportionate assessment for municipalities within the MBTA service area.

The City of Boston continues to hold a high grade of bond ratings on indebtedness from the major credit rating services. The City's general obligation bonds are assigned a rating of "A" from both Standard & Poors Rating Group, Inc. and Moody's Investors Service.

Cash Management

The City's Collector-Treasurer uses pooled cash and investments for all eligible City funds. The goal of this pool is to maximize income while minimizing exposure and ensuring sufficient liquidity to meet the City's payment obligations. All City funds are pooled except for trust funds, certain grant funds, and bond proceeds. The investment of the funds not included in the pool are controlled by various trust agreements, grant regulations, and bond trustee agreements.

The Collector-Treasurer sets the City's investment policies. These policies are governed by portions of Massachusetts General Laws Chapters 29 and 41. The Commonwealth also has a list of approved securities and other investments that the City may use as part of its pool. These approved investments include: (1) securities that have been issued or unconditionally guaranteed by the U.S. government or its agencies with a maturity date of less than one year from the date of purchase; (2) demand, term, and certificates of deposit; (3) repurchase agreements that have a maturity of less than one year guaranteed with U.S. government or its agencies securities with a maturity of less than 90 days; and (4) bonds issued by other states. Additionally, demand, term, and certificates of deposit must be collateralized when they exceed certain levels. Generally, the City's investment policy centers around receiving a competitive yield for its investible cash and minimizing credit and market risks.

All investment earnings, with certain specific exceptions, are included in the General Fund's investment income account. During 1994 the average yield was 3.4% on the investable cash as compared to an average yield of 3.3% for 1993.

Risk Management

The City is self insured in most areas of risk including general liability, auto liability (except school buses), workers compensation, unemployment compensation, and real property. In addition, the City self insures certain medical personnel employed by the Department of Health and Hospitals for medical malpractice. The City's Corporation Counsel defends the City in any lawsuits that arise from the normal course of operations. Settlements of legal claims are paid through the City's claims and judgements account in the general fund. These claims are accounted for in the City's general fund on a pay-as-you-go basis.

The City's health insurance program, administered by the Health Insurance and Benefits Division of the Administrative Services Department, provides coverage to the City's employees and retirees through a number of health maintenance organizations (HMOs) and Blue Cross and Blue Shield of Massachusetts (BCBS). BCBS acts as a third party agent administering the payments and claims for the City. The operations of the BCBS plan is accounted for in a separate Health Claims Trust Fund.

Pension Funds

The City participates in a contributory retirement system, the State-Boston Retirement System (SBRS). The City is the largest member of SBRS, a cost sharing multiple employer public employee system operated under Chapter 32 of the Massachusetts General Laws (MGL). Each participating employer's share of the total annual contribution is determined on the basis of active payroll. As of June 30, 1994 total assets of SBRS had a market value of approximately \$1.5 billion.

In 1988 the SBRS system became a funding system in accordance with the Pension Reform Act (MGL Chapter 697). Prior to that, it had been a pay-as-you-go system. This change was further amended by MGL Chapter 450 in 1991. As a consequence the City committed itself to funding based upon a schedule approved by the SBRS and the State actuary, which includes paying the current year's estimated present value of benefits earned during the year (normal cost) and an annual contribution toward reducing the unfunded liability to zero by the year 2020. The schedule is subject to update and approval at least every three years by the Public Employer Retirement Administration, a State agency.

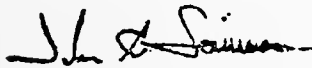
The City also operates the Boston Retirement System (BRS). BRS is the predecessor to SBRS and is open to employees and retirees of the City whose employment began prior to 1946. BRS was not subject to MGL Chapter 697 and is funded on a pay-as-you-go basis. The operations of BRS are not material to the City as a whole.

Other Information and Acknowledgements

The Government Finance Officers Association of the United States and Canada (GFOA) awards a Certificate of Achievement for Excellence in Financial Reporting. In order to be awarded a Certificate, a governmental unit must publish an easily readable and efficiently organized Comprehensive Annual Financial Report, whose contents conform to program standards. Such reports must satisfy both generally accepted accounting principles and applicable legal requirements. We believe that our current Comprehensive Annual Financial Report meets the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for a certificate.

We would like to express our appreciation to the staff of the Accounting and Financial Reporting Program and all the members of the Auditing Department staff whose professionalism and dedication made the timely preparation of the CAFR possible. We also wish to thank the professional staff of KPMG Peat Marwick for their counsel, technical assistance, and encouragement in the preparation of this CAFR. Several other City departments and agencies provided additional information and assisted in the CAFR preparation. We gratefully acknowledge their efforts and contributions to this report. Finally, We wish to thank you for your continued interest in the financial operations of the City, and for the planning and support necessary to conduct the City's financial operations in a responsible manner.

Respectfully submitted,



John C. Simmons
Chief Financial Officer

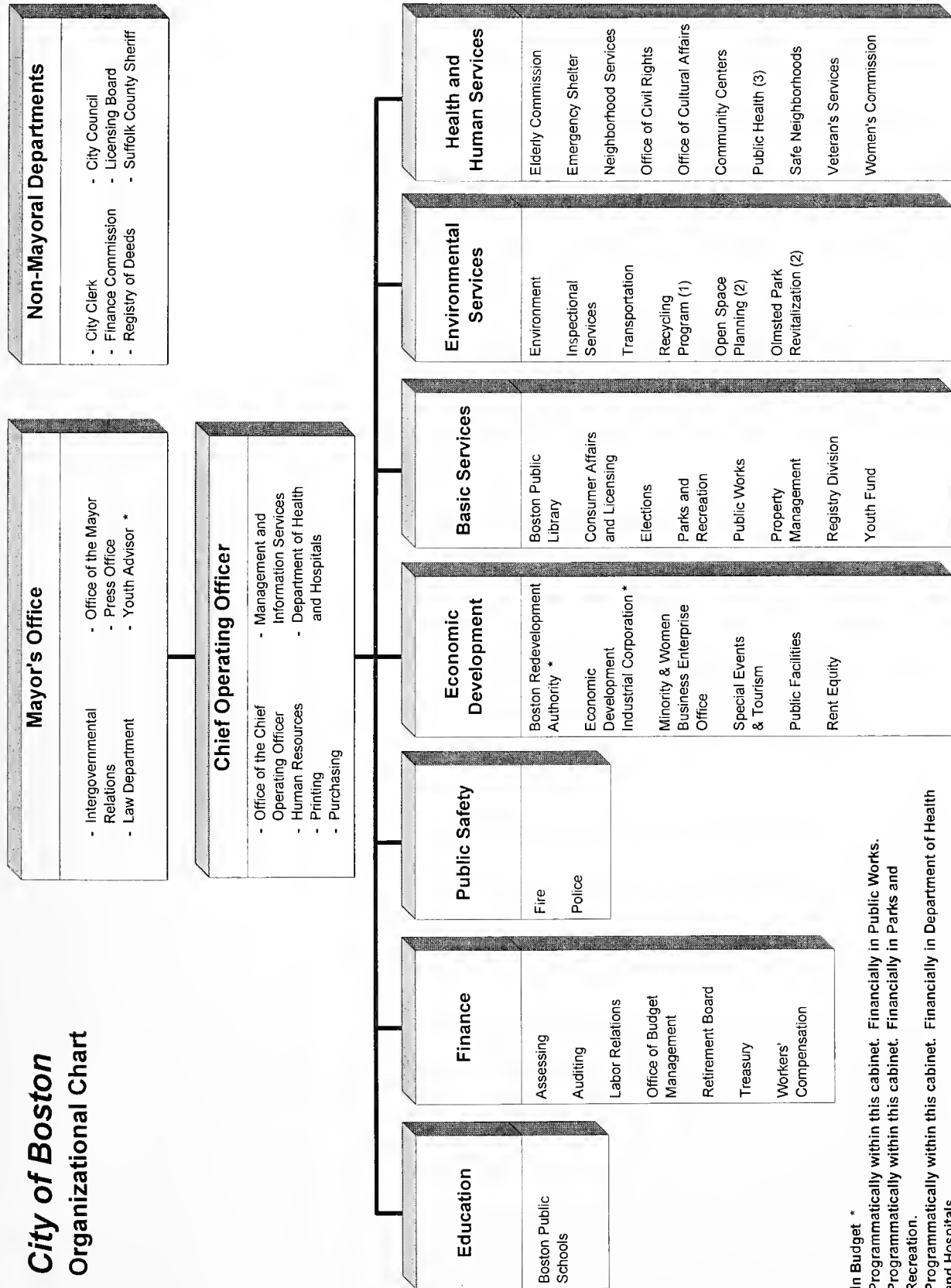


Sally D. Glora
City Auditor



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City of Boston Organizational Chart



Not In Budget *

(1) Programmatically within this cabinet. Financially in Public Works.

(2) Programmatically within this cabinet. Financially in Parks and Recreation.

(3) Programmatically within this cabinet. Financially in Department of Health and Hospitals.

LIST OF ELECTED OFFICIALS

Mayor

Thomas M. Menino

City Council Members

James M. Kelly	President of Council
Margaret E. Davis–Mullen	At Large
Richard P. Iannella	At Large
John A. Nucci	At Large
Albert L. O'Neil	At Large
Diane J. Modica	District 1
James M. Kelly	District 2
Maureen E. Feeney	District 3
Charles C. Yancey	District 4
Daniel F. Conley	District 5
Maura A. Hennigan	District 6
Gareth R. Saunders	District 7
Thomas M. Keane	District 8
Brian J. McLaughlin	District 9

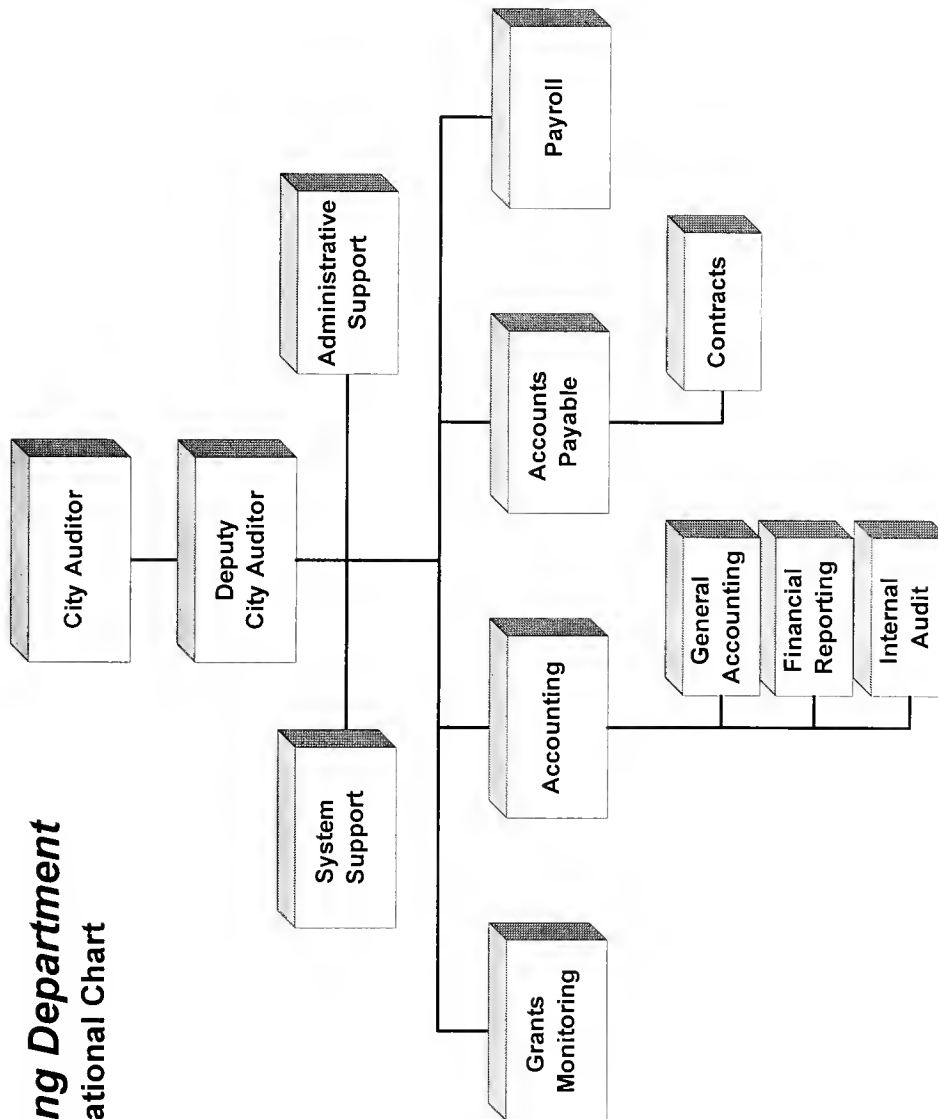
Sheriff of Suffolk County

Robert Rufo

Registrar of Deeds Suffolk County

Paul Tierney

Auditing Department
Organizational Chart



LIST OF AUDITING DEPARTMENT PERSONNEL

Sally D. Glora, City Auditor

Magnolia Amador	Sheila A. McGonagle
Sik T. Ang	Carolyn McNamara
Martha C. Ayure	Julie A. Monroe
Dolores A. Basile	Nelly Montes
Mary C. Bradley	Robert J. Morgan
Allan M. Brodsky	David P. Nero
Daryl E. Byers	Christine M. Opila
Elvira Carnazzo	Thomas J. Pitts
Chiu – Lan S. Cheng	Jennette M. Prosser
Jennifer L. Connell	Mary L. Raysor
Dennis J. Coughlin	Charles H. Rigg
John J. Devlin	Stephen L. Roberts
Mary J. Falzarano	Alfred M. Russo
Claire R. Fisher	Ming C. Su
Coleman G. Flaherty	Genesis Phan Tan
Robert J. Howard	Richard Thompson
Lillian B. Laurano	Bhavdeep J. Trivedi
Teresa A. Lynch	Stanley J. Wallace
Stacey L. Maddox	Paul F. Waple
Mary C. Mauillo	

FINANCIAL SECTION

This section is comprised of the independent auditor's report, general purpose financial statements, the combining and comparative fund statements, and required supplementary information.

One Boston Place
Boston, MA 02108-4563

Telephone 617 723 7700

Telefax 617 723 6864

Independent Auditors' Report

The Honorable Mayor and City Council of the
City of Boston, Massachusetts:

We have audited the general purpose financial statements of the City of Boston, Massachusetts, as of and for the year ended June 30, 1994, as listed in the accompanying table of contents. These general purpose financial statements are the responsibility of the City's management. Our responsibility is to express an opinion on these general purpose financial statements based on our audit. We did not audit the financial statements of certain entities and accounts that aggregate the following percentages of total assets and revenues of the respective fund types and account groups:

<u>Fund Type/Account Group</u>	<u>Percentage of</u>	
	<u>Total assets</u>	<u>Total revenues</u>
Special Revenue	5%	5%
Capital Projects	32	77
Enterprise	13	7
Trust and Agency	9	4
General Fixed Assets	*	-
General Long-term Obligations	*	-

* less than .5%

Those statements were audited by other auditors whose reports have been furnished to us, and our opinion on the general purpose financial statements, insofar as it relates to the amounts included for those entities and accounts, is based solely upon the reports of the other auditors.

We conducted our audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the general purpose financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the general purpose financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit and the reports of the other auditors provide a reasonable basis for our opinion.

In our opinion, based on our audit and the reports of the other auditors, the general purpose financial statements referred to above present fairly, in all material respects, the financial position of the City of Boston, Massachusetts, as of June 30, 1994, and the results of its operations and the cash flows of its proprietary and nonexpendable trust fund types for the year then ended, in conformity with generally accepted accounting principles.

The Honorable Mayor and City Council of the
City of Boston, Massachusetts

Our audit was made for the purpose of forming an opinion on the general purpose financial statements taken as a whole. The required supplementary information and combining individual fund and account group financial statements and schedules listed in the table of contents are presented for purposes of additional analysis and are not a required part of the general purpose financial statements of the City. Such information has been subjected to the auditing procedures applied in the audit of the general purpose financial statements and, in our opinion, is fairly presented in all material respects in relation to the general purpose financial statements taken as a whole.

We did not audit the introductory and statistical information as listed in the table of contents and therefore express no opinion thereon.

KPMG Peat Marwick LLP

December 1, 1994

CITY OF BOSTON, MASSACHUSETTS
 Combined Balance Sheet - All Fund Types and Account Groups
 June 30, 1994
 (in thousands)

	GOVERNMENTAL FUND TYPES				PROPRIETARY FUND TYPES		FIDUCIARY FUND TYPES		ACCOUNT GROUPS		
	General	Special Revenue	Debt Service	Capital Projects	Enterprise	Trust and Agency	General Fixed Assets	Long-Term Obligations	Total (Memorandum Only)		
Assets											
Cash and investments (note 3)	\$ 194,874	78,758	-	74,030	12,073	1,566,012	-	-	1,925,747		
Restricted cash and investments (notes 3 and 7)	-	19,958	445	2,173	67,379	2,903	-	-	92,858		
Investments of deferred compensation plan (note 13)	-	-	-	-	-	68,107	-	-	68,107		
Receivables (net, where applicable, of allowance for estimated uncollectible amounts):											
Property taxes	113,002	-	-	-	-	-	-	-	113,002		
Motor vehicle excise	8,224	-	-	-	-	-	-	-	8,224		
Intergovernmental	34,578	16,497	-	2,019	3,840	14,596	-	-	71,530		
Third-party payors	-	-	-	-	13,636	-	-	-	13,636		
Departmental and other	6,155	1,236	-	21,529	50,096	67,749	-	-	146,765		
Total receivables	161,959	17,733	-	23,548	67,572	82,345	-	-	353,157		
Inventories	-	-	-	-	1,041	-	-	-	1,041		
Due from other funds (note 6)	40,440	9,864	1,022	1,830	3,500	6,432	-	-	63,088		
Other assets	-	125	-	11,400	5,237	1,251	-	-	18,013		
Property, plant and equipment, net of accumulated depreciation (note 5)	-	-	-	-	224,029	191	633,167	-	857,387		
Amount available in debt service funds	-	-	-	-	-	-	-	445	445		
Amount to be provided for the retirement of general long-term obligations by (note 7):											
City of Boston	-	-	-	-	-	-	-	788,125	788,125		
Commonwealth of Massachusetts	-	-	-	-	-	-	-	138,788	138,788		
Boston Water and Sewer Commission	-	-	-	-	-	-	-	510	510		
Developers	-	-	-	-	-	-	-	20,000	20,000		
Total assets	\$ 397,273	126,438	1,467	112,981	380,831	1,727,241	633,167	947,868	4,327,266		

See accompanying notes to general purpose financial statements.

CITY OF BOSTON, MASSACHUSETTS
Combined Balance Sheet - All Fund Types and Account Groups
June 30, 1994
(in thousands)

	GOVERNMENTAL FUND TYPES				PROPRIETARY FUND TYPES		FIDUCIARY FUND TYPES		ACCOUNT GROUPS		
	General	Special Revenue	Debt Service	Capital Projects	Enterprise	Trust and Agency	General Fixed Assets	Long-Term Obligations	Total (Memorandum Only)		
Liabilities											
Warrants and accounts payable	\$ 98,825	13,375	-	2,663	22,072	66,808	-	-	203,743		
Accrued liabilities:											
Tax abatements refunds	73,101	-	-	-	-	-	-	13,120	86,221		
Judgments and claims	-	-	-	-	2,000	-	-	26,891	28,891		
Sick and vacation	-	-	-	-	4,178	-	-	73,626	77,804		
Retirement costs (note 9)	-	-	-	-	22,323	-	-	242,240	264,563		
Other	16,970	23,847	-	11,844	17,568	1,233	-	-	71,462		
Intergovernmental	-	-	-	-	7,989	-	-	-	7,989		
Due to other funds (note 6)	1,842	16,045	-	4,839	6,276	1,455	-	28,501	58,958		
Deferred revenue	116,379	3,111	-	18,800	25,905	-	-	-	164,195		
Deferred compensation benefits payable (note 13)	-	-	-	-	-	68,107	-	-	68,107		
Matured interest and bonds payable	-	-	1,022	-	-	-	-	-	1,022		
Obligations under capital leases (note 8)	-	-	-	-	3,372	-	-	14,830	18,202		
Bonds, loans and notes payable (note 7)	-	-	-	11,375	210,359	5,809	-	548,660	776,203		
Total liabilities	<u>307,117</u>	<u>56,378</u>	<u>1,022</u>	<u>49,521</u>	<u>322,042</u>	<u>143,412</u>	-	<u>947,868</u>	<u>1,827,360</u>		
Fund Equity and Other Credits											
Investment in general fixed assets	-	-	-	-	-	-	633,167	-	633,167		
Contributed capital	-	-	-	-	157,050	-	-	-	157,050		
Accumulated deficit	-	-	-	-	(98,261)	-	-	-	(98,261)		
Fund balances:											
Reserved for:											
Trust fund endowments	-	-	-	-	-	67,618	-	-	67,618		
Encumbrances and continuing appropriations	9,082	32,377	-	92,973	-	4,535	-	-	138,967		
Employee retirement systems	-	-	-	-	-	1,471,071	-	-	1,471,071		
Debt service (note 7)	-	-	445	-	-	-	-	-	445		
Expenditures	1,041	-	-	-	-	-	-	-	1,041		
Unreserved:											
Designated for specific expenditures	-	1,822	-	-	-	-	-	-	1,822		
Undesignated	<u>80,033</u>	<u>35,861</u>	-	<u>(29,513)</u>	-	<u>40,605</u>	-	-	<u>126,986</u>		
Total fund equity and other credits	<u>90,156</u>	<u>70,060</u>	<u>445</u>	<u>63,460</u>	<u>58,789</u>	<u>1,583,829</u>	<u>633,167</u>	-	<u>2,499,906</u>		
Contingencies (note 14)											
Total liabilities and fund equity	\$ <u>397,273</u>	<u>126,438</u>	<u>1,467</u>	<u>112,981</u>	<u>380,831</u>	<u>1,727,241</u>	<u>633,167</u>	<u>947,868</u>	<u>4,327,266</u>		

See accompanying notes to general purpose financial statements.

Combined Statement of Revenues, Expenditures and Changes in Fund Equity - All Governmental Fund Types and Expendable Trust Funds

Year ended June 30, 1994

(in thousands)

	GOVERNMENTAL FUND TYPES				FIDUCIARY FUND TYPE Expendable Trust	Total Expendable (Memorandum Only)
	General	Special Revenue	Debt Service	Capital Projects		
Revenues:						
Local:						
Real and personal property taxes, net (note 4)	\$ 612,460	-	-	-	-	612,460
Excises	49,311	-	-	-	-	49,311
Payments in lieu of taxes	48,083	-	-	-	-	48,083
Fines	47,252	-	-	-	-	47,252
Investment income	10,752	70	14	38	4,558	15,432
Licenses and permits	16,839	-	-	-	-	16,839
Departmental and other revenue	35,338	7,992	-	8,507	82,245	134,082
Total local revenues	820,035	8,062	14	8,545	86,803	923,459
Intergovernmental:						
Federal	-	105,093	-	7,420	-	112,513
Commonwealth of Massachusetts	331,431	68,441	-	3,638	-	403,510
Other	-	-	424	-	-	424
Total intergovernmental revenues	331,431	173,534	424	11,058	-	516,447
Total revenues	1,151,466	181,596	438	19,603	86,803	1,439,906
Expenditures:						
Current:						
General government	35,595	2,775	-	-	961	39,331
Human services	5,187	1,125	-	-	910	7,222
Public safety	252,668	11,847	-	-	-	264,515
Public works	59,481	143	-	-	2,276	61,900
Property and development	21,528	-	-	-	-	21,528
Parks and recreation	9,776	2,732	-	-	1,924	14,432
Library	21,436	10,427	-	-	-	31,863
Schools	405,372	63,160	-	-	17	468,549
County	10,511	43,502	-	-	-	54,013
Judgments and claims	8,256	-	-	-	-	8,256
Other employee benefits	71,175	-	-	-	74,630	145,805
Retirement costs (note 9)	59,502	-	-	1,473	-	60,975
State and district assessments	58,272	-	-	-	-	58,272
Community development	-	35,943	-	-	-	35,943
Capital outlays	4,184	8,324	-	-	-	101,329
Debt service	-	108	89,270	88,821	-	91,779
Total expenditures	1,022,943	180,086	89,270	2,401	-	1,465,712
Excess (deficiency) of revenues over expenditures	128,523	1,510	(88,832)	(73,092)	6,085	(25,806)
Other financing sources (uses):						
Proceeds from refunding bonds (note 7)	-	-	-	85,900	-	85,900
Proceeds of debt and capital leases (notes 7 and 8)	-	20,000	-	58,240	-	78,240
Payment to escrow agent for refunded debt (note 7)	-	-	-	(84,706)	-	(84,706)
Operating transfers in (out), net (note 11)	(111,236)	(468)	84,597	(2,932)	641	(29,398)
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	17,287	21,042	(4,235)	(16,590)	6,726	24,230
Fund balance, beginning of year	72,869	48,407	4,680	80,050	41,437	247,443
Adjustments to beginning fund equity (note 1a)	-	611	-	-	(5,089)	(4,478)
Fund balance, end of year	\$ 90,156	70,060	445	63,460	43,074	267,195

See accompanying notes to general purpose financial statements.

CITY OF BOSTON, MASSACHUSETTS

Statement of Revenues and Expenditures - Budgetary Basis General Fund - Budget and Actual

Year ended June 30, 1994
(with comparative actual amounts for 1993)
(in thousands)

1994					
	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)	1993 Actual
Revenues:					
Real and personal property taxes, net	\$ 625,199	625,199	625,196	(3)	590,663
Excises	69,800	69,800	76,202	6,402	83,238
Commonwealth of Massachusetts	356,929	357,151	359,653	2,502	333,093
Health and hospitals	163,380	163,380	163,390	10	154,783
Departmental and other revenue	28,113	30,740	34,134	3,394	33,905
Fines	47,997	47,997	48,432	435	50,140
Payments in lieu of taxes	19,319	20,423	21,190	767	21,474
Investment income	5,600	10,386	10,617	231	8,507
Licenses and permits	14,885	14,885	16,839	1,954	16,353
Sale of property	7,624	9,821	500	(9,321)	2,265
Operating transfers from other funds	9,600	9,600	9,600	-	10,418
Other available funds	<u>176</u>	<u>512</u>	<u>467</u>	<u>(45)</u>	<u>198</u>
Total revenues, transfers and other available funds	<u>1,348,622</u>	<u>1,359,894</u>	<u>1,366,220</u>	<u>6,326</u>	<u>1,305,037</u>
Expenditures:					
Current:					
General government	38,582	40,491	38,439	2,052	37,029
Human services	5,315	5,355	5,300	55	4,940
Public safety	248,867	258,981	260,423	(1,442)	244,477
Public works	53,573	53,573	59,713	(6,140)	54,554
Property and development	21,664	22,175	22,151	24	21,723
Parks and recreation	10,226	10,236	10,090	146	10,139
Library	18,926	21,479	21,475	4	20,999
Schools	401,852	408,098	408,079	19	373,983
Health and hospitals	197,163	197,163	194,106	3,057	182,765
County	10,466	10,466	10,452	14	10,443
Judgments and claims	7,500	7,500	9,689	(2,189)	7,976
Other employee benefits	77,620	72,286	72,905	(619)	69,260
Pension costs	108,379	106,810	106,611	199	119,974
State and district assessments	56,978	56,978	58,272	(1,294)	55,163
Debt requirements	<u>91,511</u>	<u>88,303</u>	<u>86,952</u>	<u>1,351</u>	<u>89,069</u>
Total expenditures	<u>1,348,622</u>	<u>1,359,894</u>	<u>1,364,657</u>	<u>(4,763)</u>	<u>1,302,494</u>
Excess of net revenues available for appropriation over expenditures	\$ <u>-</u>	<u>-</u>	<u>1,563</u>	<u>1,563</u>	<u>2,543</u>

See accompanying notes to general purpose financial statements.

CITY OF BOSTON, MASSACHUSETTS

Combined Statement of Revenues, Expenses and Changes in Fund Equity - All Proprietary Fund Types and Similar Trust Funds

Year ended June 30, 1994

(in thousands)

	PROPRIETARY FUND TYPE Enterprise Funds	FIDUCIARY FUND TYPES Pension Trusts	Nonexpendable Trusts	Total (Memorandum Only)
Revenues:				
Net patient service revenue	\$ 201,011	-	-	201,011
Investment income	-	41,890	10,102	51,992
Net appreciation in fair market value of investments	-	134,634	-	134,634
Contributions and donations	-	174,895	651	175,546
Programs	83,282	-	-	83,282
Rental income	5,712	-	-	5,712
Intergovernmental	-	23,592	-	23,592
Miscellaneous	<u>23,176</u>	<u>-</u>	<u>350</u>	<u>23,526</u>
Total operating revenues	<u>313,181</u>	<u>375,011</u>	<u>11,103</u>	<u>699,295</u>
Expenses:				
Salaries and wages	113,150	-	-	113,150
Professional fees	22,478	-	60	22,538
Administrative and general	31,376	1,339	1	32,716
Materials and supplies	21,213	-	-	21,213
Depreciation	12,830	-	-	12,830
Retirement costs	14,850	-	-	14,850
Bad debts	22,880	-	-	22,880
Libraries	-	-	673	673
Benefits paid	-	174,516	-	174,516
Member refunds, and transfers and reimbursements to other systems, net	-	16,480	-	16,480
Subsidies for community services, special programs, and real estate operations	<u>118,480</u>	<u>-</u>	<u>3</u>	<u>118,483</u>
Total operating expenses	<u>357,257</u>	<u>192,335</u>	<u>737</u>	<u>550,329</u>
Operating income (loss)	(44,076)	182,676	10,366	148,966
Nonoperating revenues and expenses:				
Grant income	15,642	-	-	15,642
Interest income	1,602	-	-	1,602
Interest expense	<u>(6,935)</u>	<u>-</u>	<u>-</u>	<u>(6,935)</u>
Income (loss) before operating transfers	<u>(33,767)</u>	<u>182,676</u>	<u>10,366</u>	<u>159,275</u>
Operating transfers in (out), net (note 11)	<u>31,939</u>	<u>-</u>	<u>(2,288)</u>	<u>29,651</u>
Net income (loss)	(1,828)	182,676	8,078	188,926
Fund equity, beginning of year	66,980	1,288,395	57,206	1,412,581
Adjustments to beginning fund equity (note 1a)	<u>(6,363)</u>	<u>-</u>	<u>4,400</u>	<u>(1,963)</u>
Fund equity, end of year	\$ <u>58,789</u>	<u>1,471,071</u>	<u>69,684</u>	<u>1,599,544</u>

See accompanying notes to general purpose financial statements.

CITY OF BOSTON, MASSACHUSETTS

Combined Statement of Cash Flows - All Proprietary Fund Types and Nonexpendable Trust Funds

Year ended June 30, 1994

(in thousands)

	PROPRIETARY FUND TYPE Enterprise Funds	FIDUCIARY FUND TYPE Nonexpendable Trusts	Total (Memorandum Only)
Cash flows from operating activities:			
Operating income (loss)	\$ (44,076)	10,366	(33,710)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:			
Depreciation and amortization	12,830	-	12,830
Provision for bad debts	22,880	-	22,880
Changes in operating assets and liabilities:			
Accounts receivable	(22,024)	25	(21,999)
Intergovernmental receivables	3,116	-	3,116
Inventories	236	-	236
Other assets	36	-	36
Due to/from other funds	(24,212)	108	(24,104)
Accounts payable	7,244	-	7,244
Accrued retirement	2,308	-	2,308
Intergovernment payable	3,530	-	3,530
Third party payors	7,480	-	7,480
Other accrued liabilities	(4,734)	-	(4,734)
Deferred revenue	(4,396)	-	(4,396)
Net cash provided (used) by operating activities	<u>(39,782)</u>	<u>10,499</u>	<u>(29,283)</u>
Cash flows from noncapital financing activities:			
Advances from grantors	15,642	-	15,642
Operating subsidy/transfers in (out)	<u>31,939</u>	<u>(2,288)</u>	<u>29,651</u>
Net cash provided (used) by noncapital financing activities	<u>47,581</u>	<u>(2,288)</u>	<u>45,293</u>
Cash flows from capital and related financing activities:			
Acquisition and construction of capital assets	(34,081)	-	(34,081)
Interest paid on debt	(6,935)	-	(6,935)
Repayment of long-term debt	(707)	-	(707)
Payments on lease obligations	<u>(2,008)</u>	<u>-</u>	<u>(2,008)</u>
Net cash provided (used) by capital and related financing activities	<u>(43,731)</u>	<u>-</u>	<u>(43,731)</u>
Cash flows from investing activities:			
Purchase of investment securities	(11,686)	(7,058)	(18,744)
Proceeds from sale of investment securities	6,051	86	6,137
Interest income	<u>1,602</u>	<u>-</u>	<u>1,602</u>
Net cash provided (used) by investing activities	<u>(4,033)</u>	<u>(6,972)</u>	<u>(11,005)</u>
Increase (decrease) in cash and cash equivalents	(39,965)	1,239	(38,726)
Cash and cash equivalents, beginning of year	<u>112,801</u>	<u>3,001</u>	<u>115,802</u>
Cash and cash equivalents, end of year	72,836	4,240	77,076
Investments, end of year	<u>6,616</u>	<u>64,933</u>	<u>71,549</u>
Total cash and investments, end of year	\$ <u>79,452</u>	<u>69,173</u>	<u>148,625</u>

(Continued)

CITY OF BOSTON, MASSACHUSETTS
 Combined Statement of Cash Flows - All Proprietary Fund Types and Nonexpendable Trust Funds
 Year ended June 30, 1994
 (in thousands)

	PROPRIETARY FUND TYPE Enterprise Funds	FIDUCIARY FUND TYPE Nonexpendable Trusts	Total (Memorandum Only)
Noncash activities:			
Net increase in grants/contracts receivable and deferred grants obligations	\$ <u>(1,272)</u>	<u>-</u>	<u>(1,272)</u>
Reduction of bonds payable through payments made by lessee under a direct financial lease	\$ <u>196</u>	<u>-</u>	<u>196</u>
Additions to capital leases	\$ <u>3,333</u>	<u>-</u>	<u>3,333</u>

See accompanying notes to general purpose financial statements.

CITY OF BOSTON, MASSACHUSETTS

Notes to General Purpose Financial Statements

June 30, 1994

(1) Summary of Significant Accounting Policies

The accounting policies followed in preparing the accompanying general purpose financial statements are as follows:

(a) *The Financial Reporting Entity*

(1) General. The City of Boston, incorporated as a town in 1630 and as a city in 1822, now exists under Chapter 486 of the Act of 1909 and Chapter 452 of the Acts of 1948 of the Commonwealth of Massachusetts ("Commonwealth") which, as amended, constitute the City's Charter. The Mayor is elected to a four-year term and serves as chief executive officer of the City. The Mayor has general supervision of and control over the City's boards, commissions, officers and departments including all operations of Suffolk County, except county courts. The legislative body of the City is the City Council, which consists of thirteen elected members serving two-year terms. The Mayor and City Council serve as the County Commissioners of Suffolk County.

In 1994, the City adopted the requirements of the Governmental Accounting Standards Board, Statement No. 14 - The Financial Reporting Entity (GASB #14). As required by GASB #14, the accompanying financial statements present the City of Boston (the primary government which includes Suffolk County) and its component units. The component units discussed below are included in the City's reporting entity because of the significance of their operational or financial relationships with the City. The adoption of GASB #14 did not change the individual component units or their method of inclusion in the financial statements from the prior year.

(2) Individual Component Unit Disclosure. The component units provide services entirely or almost entirely to the City or otherwise exclusively or almost exclusively to benefit the City even though they do not provide services directly to it. Although legally separate, all component units have been reported as if they were part of the primary government; a method of inclusion known as blending. A description of the component units, criteria for inclusion and their relationship with the City are as follows:

Boston Redevelopment Authority ("BRA") - The BRA is a public body politic and corporate constituting the City's redevelopment authority and exercising the powers of a planning board for the City. The BRA is governed by a five-member board, four of which are appointed by the Mayor. Its purpose is to provide the planning support for major construction and redevelopment activity in the City.

Economic Development and Industrial Corporation of Boston ("EDIC") - EDIC is a body politic and corporate and an instrumentality of the Commonwealth. It is governed by the same persons appointed as members of the BRA board. EDIC has a variety of powers to assist industrial development projects in the City.

(Continued)

CITY OF BOSTON, MASSACHUSETTS

Notes to General Purpose Financial Statements

State-Boston Retirement System ("SBRS") - SBRS is a defined benefit contributory retirement system created under state statute. It is administered by a Retirement Board comprised of three members: the City Auditor who serves as ex-officio; an individual elected by participants in the system; and an individual chosen by the other two members or appointed by the Mayor if the other two do not agree. SBRS provides pension benefits to retired City employees.

Trustees of Health and Hospitals of the City of Boston, Inc. ("THH") - THH is a nonprofit corporation established in 1965 by state statute. The operations of THH are administered by a board whose members are appointed by the Mayor who also appoints the Chairman and Vice Chairman. THH provides grant and trust fund administration services for the City's Department of Health and Hospitals.

THH is included in the accompanying financial statements for its fiscal year ended June 30, 1994, whereas in the City's prior year financial statements it was included for fiscal year ended June 30, 1992. The change in fund equity of THH for fiscal year June 30, 1993 of \$6,363,785 for its enterprise fund and \$689,910 for its expendable trust funds is presented as an adjustment of fund equity.

Trustees of the Public Library of the City of Boston ("TPL") - TPL is a nonprofit organization qualified as a tax-exempt entity under Section 501(c)(3) of the Internal Revenue Code. Trustees of TPL are appointed by the Mayor. TPL was established to benefit the public library system of the City of Boston.

Certain additional funds for TPL were included in the accompanying financial statements which were not included in fiscal year ended June 30, 1993. The beginning balance of these funds of \$611,687 is presented as an adjustment of fund equity in the special revenue fund. In addition TPL's expendable trust funds were reclassified to nonexpendable to better reflect their purpose and restrictions. The reclassification of the beginning balances of these expendable trust funds of \$4,399,750 has been presented as an adjustment of fund equity.

The financial statements of the component units are included for their respective fiscal year-ends which is June 30, 1994, except for BRA and SBRS which are September 30, 1993 and December 31, 1993, respectively.

Complete financial statements of these individual component units can be obtained through the City Auditor's office, Room M-4, City Hall Plaza, Boston, Massachusetts 02201.

(3) Related Organizations. The Mayor is also responsible for appointing the members of the governing bodies of the Boston Housing Authority, Boston Industrial Development Finance Authority and Boston Water and Sewer Commission; however, the City's accountability for these organizations does not extend beyond making these appointments.

(Continued)

CITY OF BOSTON, MASSACHUSETTS

Notes to General Purpose Financial Statements

(4) Joint Ventures. The City is a participant in a joint venture to operate the Massachusetts Bay Transportation Authority (MBTA), a component unit of the Commonwealth. The City is indirectly liable for debt (see note 7) and other expenses incurred by the MBTA. The MBTA, created in 1964 as a body politic and corporate and a political subdivision of the Commonwealth, provides rapid transit and other mass transportation services to the City and to 78 other cities and towns within its jurisdiction. The City's annual assessment, including debt service, from the MBTA for 1994 amounted to \$52,795,000, which represented approximately 42.4% of the total assessments on all such cities and towns. The City does not have an equity interest in the MBTA.

Complete financial statements for the MBTA can be obtained from the MBTA administrative offices at 10 Park Plaza, Boston, Massachusetts 02116.

(b) Basis of Presentation - Fund Accounting

The operations of the City are recorded in the following fund types and account groups:

Governmental Funds

Governmental funds are used to account for the City's expendable financial resources and related liabilities (except those accounted for in proprietary and similar trust funds). The measurement focus is upon determination of changes in financial position and the flow of current financial resources. The following are the City's governmental fund types.

General Fund - The general fund is the general operating fund of the City. It is used to account for all financial resources except those required to be accounted for in another fund.

Special Revenue Funds - Special revenue funds are used to account for the proceeds of specific revenue sources (other than expendable trusts or major capital projects) that are legally restricted to specified purposes.

Debt Service Funds - Debt service funds are used to account for the accumulation of resources for, and the payment of, general long-term debt principal, interest and related costs.

Capital Project Funds - Capital project funds are used to account for financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by proprietary funds and similar trust funds).

Proprietary Funds

Proprietary funds are used to account for activities that are similar to those often found in the private sector. The measurement focus is upon determination of net income and capital maintenance (i.e., flow of economic resources).

Enterprise Funds - Enterprise funds are used to account for operations (a) that are financed primarily through user charges, or (b) where the governing body has decided that determination of net income is appropriate.

(Continued)

CITY OF BOSTON, MASSACHUSETTS

Notes to General Purpose Financial Statements

Fiduciary Funds

Trust and Agency Funds - Fiduciary funds are used to account for assets held by the City in a trustee capacity or as an agent. Trust funds include expendable trust funds, nonexpendable trust funds, and pension trust funds. Nonexpendable trust funds and pension trust funds are reported in a manner similar to proprietary funds (i.e., flow of economic resources measurement focus and accrual basis of accounting). Expendable trust funds are reported in a manner similar to governmental funds (i.e., flow of financial resources measurement focus and modified accrual basis of accounting). Agency funds are custodial in nature and follow the modified accrual basis of accounting but are not concerned with the measurement of results of operations.

Account Groups

Account groups are a financial reporting device designed to provide accountability for certain assets and liabilities that are not recorded in the governmental funds because they do not affect net expendable available financial resources. The following are the City's account groups.

General Fixed Assets Account Group (GFAAG) - This account group is used to account for fixed assets, other than those accounted for in proprietary funds and similar trust funds.

General Long-Term Obligations Account Group (GLTOAG) - This account group is used to account for all long-term obligations of the City, except those accounted for in proprietary and similar trust funds.

(c) Basis of Accounting

The modified accrual basis of accounting is followed by governmental funds, expendable trust funds, and agency funds. Under the modified accrual basis of accounting, revenues are recorded when susceptible to accrual (i.e., when they become both measurable and available to pay liabilities of the current period). Revenues not considered available are recorded as deferred revenues.

The City applies the susceptible to accrual criteria to property taxes and intergovernmental revenues. In applying the susceptible to accrual concept to intergovernmental revenues, there are essentially two types of revenues. In one, resources must be expended on the specific purpose or project before any amounts will be reimbursed to the City; therefore, revenues are recognized based upon the amount of expenditures incurred. In the other, resources are virtually unrestricted and are usually revocable by the grantor only for failure to comply with prescribed compliance requirements. These resources are reflected as revenues at the time of receipt or earlier if the susceptible to accrual criteria are met.

Property taxes are recognized as revenue in the year for which taxes have been levied, provided they are collected within 60 days after year-end. Motor vehicle and other excise, licenses and permits, fines and forfeitures, and miscellaneous revenues are recorded as revenues when received in cash because these amounts are generally not measurable until actually received. Investment earnings are recorded as earned.

(Continued)

CITY OF BOSTON, MASSACHUSETTS

Notes to General Purpose Financial Statements

Expenditures are recorded when the liability is incurred except for (1) interest on general long-term obligations, which is recorded when due, and (2) the noncurrent portion of accrued judgments and claims, abatement refunds, pension costs and vacation and sick leave, which is recorded in the general long-term obligations account group.

The accrual basis of accounting is used by proprietary funds, nonexpendable trust funds, and pension trust funds. Revenues are recognized when earned and expenses are recognized when goods or services have been received or a liability has been incurred.

(d) Cash Equivalents

For purposes of the statement of cash flows, the proprietary funds and nonexpendable trust funds consider investments with original maturities of three months or less when purchased to be cash equivalents.

(e) Encumbrances

Encumbrance accounting, under which purchase orders, contracts, and other commitments for the expenditure of funds are recorded in order to reserve that portion of the applicable appropriation, is employed in governmental funds. Open encumbrances at year-end are reported as reservations of fund balance since they do not constitute expenditures or liabilities.

Certain unexpended and unencumbered appropriations for incomplete projects are carried over to succeeding years without further appropriations. Such continuing appropriations are accounted for similar to encumbrances. Other unencumbered appropriations lapse at year-end.

(f) Inventory

Inventory of the proprietary funds is valued at the lower of cost (first-in, first-out), or market. Supplies and other inventoriable items in governmental funds are recorded as expenditures at the time they are purchased (purchase method), and no significant amount of inventory was on hand at June 30, 1994.

(g) Property, Plant and Equipment

Property, plant and equipment are stated at cost or estimated historical cost, except for general fixed assets' infrastructure which is not capitalized. Donated fixed assets are recorded at estimated fair market value at the date donated. Net interest cost in the proprietary funds is capitalized on projects during the construction period. The amount of interest cost incurred during the year was \$8.0 million of which \$3.1 million was capitalized. Depreciation of proprietary fund assets is provided using the straight-line method over estimated useful lives ranging from 15 to 40 years for buildings, 5 to 25 years for improvements other than buildings, and 4 to 25 years for equipment.

(h) Compensated Absences

Employees are granted vacation and sick leave in varying amounts. Upon retirement, termination or death, certain employees are compensated for unused vacation and sick leave (subject to certain limitations) at their then current rates of pay. The cost of vacation and sick leave for employees of proprietary funds is recorded as earned. For other funds, the liability related to unused sick and vacation time is recorded in the general long-term obligations

(Continued)

CITY OF BOSTON, MASSACHUSETTS

Notes to General Purpose Financial Statements

account group. The liability for vacation leave is based on the amount earned but not used and for sick leave it is based on the amount accumulated at the balance sheet date (vesting method). The liability for both amounts is calculated based on the pay or salary rates in effect at the balance sheet date.

(i) Arbitrage Rebate

Rebatable arbitrage earnings are calculated for the City by third parties and accounted for as a liability and a reduction of investment income in the general fund. At June 30, 1994, an accumulated arbitrage rebate liability of \$2.2 million was recorded in the general fund.

(j) Self Insurance

The City is self insured in most areas of risk. This self insurance includes general liability, its vehicle fleet except for school buses, workers' compensation, unemployment compensation, and real property. In addition, the City self insures certain medical professionals employed by the Boston City Hospital (BCH or the Hospital) and the Department of Health and Hospitals for medical malpractice. The City's Corporation Counsel defends the City in any lawsuits that arise from the normal course of operations. Payments for the settlement of legal claims against the City are recorded as judgments and claims in the general fund.

The City's health insurance program, administered by the Health Insurance and Benefits Division of the Administrative Services Department, provides coverage to the City's employees and retirees through a number of Health Maintenance Organizations (HMOs) and Blue Cross - Blue Shield of Massachusetts (BC/BS). BC/BS acts as a third party agent for the City in the payment of the various claim plans used by the City. City, employee and retiree costs incurred for the operation of the BC/BS plans are accounted for in a separate health claims trust fund. Costs to the City for the HMOs are accounted for in the general fund as part of other employee benefits.

(k) Subsidy to the Department of Health and Hospitals

Subsidies provided by the City's general fund to the Department of Health and Hospitals (DHH) are based upon the modified accrual basis of accounting. The subsidy recorded by DHH is based on the full accrual basis except for property, plant and equipment and capital leases, which are accounted for on the modified accrual basis. The difference in the amounts of the subsidies is recorded in the general long-term obligations account group.

(l) Net Patient Service Revenues

Net patient service revenue is reported at the estimated net realizable amounts from patients, third-party payors, and others for services rendered, including estimated retroactive adjustments under reimbursement agreements with third-party payors. Retroactive adjustments are accrued on an estimated basis in the period the related services are rendered and adjusted in future periods as final settlements are determined.

(m) Charity Care

The Hospital provides care to patients who meet certain criteria under its charity care policy without charge or at amounts less than its established rates. Because the Hospital does not pursue collection of amounts determined to qualify as charity care, they are not reported as revenue.

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CITY OF BOSTON, MASSACHUSETTS

Notes to General Purpose Financial Statements

(n) Third-Party Reimbursement

The Hospital has agreements with third-party payors that provide for payments to the Hospital at amounts different from its established rates. A summary of the payment arrangements with major third-party payors follows:

- Under the federal Medicare program, inpatient acute care services provided to Medicare program beneficiaries are paid at prospectively determined rates-per-discharge inclusive of capital-related expenses. These rates vary according to a patient classification system that is based on diagnostic, clinical and other factors. Outpatient services are reimbursed on a retrospective basis subject to various limits and reductions mandated by Medicare. The Hospital is reimbursed during the year for services to Medicare beneficiaries based on varying interim payment methodologies. Final settlement is determined after the submission of an annual cost report by the Hospital and subsequent audit of this report by the Medicare fiscal intermediary. Final settlements have been determined for all years through 1992.
- Payments for services to patients covered under the State of Massachusetts Medicaid program and Blue Cross of Massachusetts are regulated under Chapter 495 of the Acts of 1991.

Under Chapter 495, payments for services to Massachusetts Medicaid beneficiaries are based on a contract with the Massachusetts Department of Public Welfare. Payments for inpatient services are on a per discharge and per diem basis. Payments for clinic and emergency services are on a per visit basis and payments for ancillary services reflect a combination of discounted charges and fee schedules. Prior to this, the Medicaid program was a percentage of charge based payor.

Under Chapter 495, Blue Cross has the right to negotiate contracts with each individual hospital instead of entering into a master contract covering all Massachusetts acute care hospitals. In 1992, the Hospital and Blue Cross entered into a contract. Under the contract, inpatient acute-care services provided to Blue Cross subscribers are paid at a predetermined case mix adjusted rate-per-discharge. Outpatient services are reimbursed at a discount from established charges.

The Hospital has contracts with numerous managed care providers. While most of the contracts provide for payments based on discounted charges, some of the larger providers are paying based on per case and per diem arrangements. Commercial insurers reimburse the Hospital for services on the basis of established charges.

Provisions have been made in the financial statements for the estimated final settlements with third-party payors. The difference between the amount provided and the actual final settlement is recorded as an adjustment to contractual allowances in the year the final settlement is determined.

A statewide pool exists to fund uncompensated care. Each hospital's allowable charges are adjusted to reflect statewide uncompensated care experience. Amounts are paid to or withdrawn from the pool based upon the relationship of an individual hospital's experience to the statewide averages. The Hospital has provided for its estimated final settlements with the uncompensated care pool.

(Continued)

CITY OF BOSTON, MASSACHUSETTS

Notes to General Purpose Financial Statements

The Hospital has open settlements with the State of Massachusetts Medicaid program for the years 1983 through 1991. For the years under Chapter 23 (1988 through 1991), Massachusetts acute care hospitals received payments from the Massachusetts Medicaid program that were in excess of the reimbursements that would have been paid using Medicare principles as interpreted by the Massachusetts Rate Setting Commission (the "Commission"), resulting in a liability referred to as the federal upper limit liability.

In addition, under Chapter 23, the Hospital was entitled to an adjustment of its Medicaid payments for an extraordinary disproportionate share adjustment ("EDSA") as outlined in the Commission's regulations. The purpose of the EDSA is to allow hospitals, such as Boston City Hospital, that have a limitation on the eligibility of their uncompensated care to the uncompensated care pool to receive an addition to their Medicaid rate. The calculation of the EDSA is greatly impacted by the results of the federal upper limit liability issue described above.

Hospital management believes that the legislative intent of the Commission's EDSA regulation was to help Boston City Hospital offset the reduction in Medicaid payments due from the potential federal upper limit liability. Therefore, the Hospital has calculated its final Medicaid settlements for the years 1988 through 1991 based upon the most current information available from the Commission. The results of its calculations indicate a range of amounts due to the Hospital between \$3,000 and \$10,000.

At this time, it is uncertain as to the ultimate outcome of the negotiations with the Commission. Accordingly, no provision for the outcome of any settlement has been recognized in the financial statements.

(o) Tax Abatement Refund Claims

Certain tax abatement settlements have been renegotiated, resulting in a reduction in the previous obligation and an increase in the time period over which the new obligation is required to be paid. These settlements have been recorded in the general long-term obligations account group. All other estimated tax abatement refunds have been recorded as a liability in the general fund.

(p) Basis of Investment Valuation

Investments of the City's pension trust funds are presented in the accompanying general purpose financial statements at their estimated fair market value. All other investments are stated at cost or amortized cost, which approximates market.

(q) Reclassifications

Certain 1993 amounts have been reclassified to conform with the 1994 presentation.

(r) Total Columns

Total columns on the accompanying general purpose financial statements are captioned "Memorandum Only" to indicate that they are presented only to facilitate financial analysis. Data in these columns do not present financial position, results of operations, or cash flows in conformity with generally accepted accounting principles. Such data are not comparable to a consolidation since interfund and other eliminations have not been made.

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CITY OF BOSTON, MASSACHUSETTS

Notes to General Purpose Financial Statements

(2) Budgetary Data

The general fund is the only fund for which a budget is legally adopted. The budgets for all departments included in the general fund of the City, except the School Department, are prepared under the direction of the Mayor and City Council. The School Department budget is prepared under the direction of the School Committee. Original and supplemental appropriations are submitted by the Mayor and approved by the City Council and lapse at year-end unless encumbered. The legal level of control over the budget is at the department level. All amendments to the original budget must be approved by the City Council, except for a reallocation of appropriations of up to \$3 million which the Mayor may approve. Supplemental appropriations for the year were approximately \$11.3 million.

The City must establish its property tax rate each year so that the resulting property tax levy will comply with the limits required by Proposition 2-1/2 (note 4). The tax levy must equal the sum of (a) the aggregate of all annual appropriations for expenditures; plus (b) the reserve accounts described in the following paragraph; plus (c) provision for the prior fiscal years' deficits, if any; less (d) the aggregate of all non-property tax revenues projected to be received by the City, including available funds, in amounts certified or approved by the Commonwealth of Massachusetts for tax rate purposes.

In accordance with the 1986 amendments to the Funding Loan Act of 1982, the City has established two reserve funds. The first is a budget reserve fund which is required to be funded in stages to a final level of 2-1/2% of the prior year's overall departmental appropriations, except the School Department, by the beginning of fiscal 1990. It is available to be applied to extraordinary and unforeseen expenditures. The second is a separate reserve fund of 1% to 2-1/2% of the current year appropriation of the School Department to be applied to overexpenditures in that department.

The City's general fund budget is prepared on a basis other than generally accepted accounting principles ("GAAP"). The "actual" results column in the Statement of Revenues and Expenditures - Budgetary Basis is presented on a "budget basis" to provide a meaningful comparison with the budget. The major differences between the budget and GAAP bases are that:

- (a) Real estate and personal property taxes are recorded as revenue when levied (budget), as opposed to when susceptible to accrual (GAAP);
- (b) Encumbrances and continuing appropriations are recorded as the equivalent of expenditures (budget), as opposed to a reservation of fund balance (GAAP);
- (c) Certain activities and transactions are presented in separate funds (GAAP), rather than as components of the general fund (budget);
- (d) Amounts raised for the prior years' deficits and available funds from prior years' surpluses are recorded as revenue items (budget), but have no effect on GAAP revenues; and
- (e) The subsidy to the DHH from the general fund is derived on a budget basis (budget), as opposed to a modified accrual basis (GAAP).

(Continued)

CITY OF BOSTON, MASSACHUSETTS

Notes to General Purpose Financial Statements

In addition, there are certain differences in classifications between revenues, expenditures and transfers.

The following reconciliation summarizes the differences between budgetary and GAAP basis accounting principles for the year ended June 30, 1994 (in thousands):

	<u>Revenue</u>	<u>Expenditures</u>	<u>Other financing sources (uses), net</u>	<u>Excess revenue and sources (expenditures and uses)</u>
As reported on a budgetary basis	\$ 1,366,220	1,364,657	-	1,563
Adjustments:				
Revenues to modified accrual basis	(13,542)	-	-	(13,542)
General fund DHH subsidy to a modified accrual basis	-	(894)	19,618	20,512
Expenditures, encumbrances and accruals, net	-	(8,754)	-	8,754
Reclassifications:				
Health and Hospitals revenues and expenditures to an enterprise fund	(163,390)	(194,106)	(30,716)	-
Expenditure related to Health and Hospitals	-	(13,786)	(13,786)	-
Parking meter revenue and expenditures to a special revenue fund	(9,000)	(9,000)	-	-
Debt service expenditures to a debt service fund	-	(86,952)	(86,952)	-
State-funded teachers' retirement costs	(28,222)	(28,222)	-	-
Trust fund revenue to other financing sources	<u>(600)</u>	<u>-</u>	<u>600</u>	<u>-</u>
As reported on a GAAP basis	\$ <u>1,151,466</u>	<u>1,022,943</u>	<u>(111,236)</u>	<u>17,287</u>

(3) Cash and Investments

State and local statutes place certain limitations on the nature of deposits and investments available to the City. Deposits including demand deposits, money markets and certificates of deposit in any one financial institution may not exceed certain levels unless collateralized by the financial institution involved. Investments may be made in unconditionally guaranteed U.S. Government obligations having maturities of a year or less from the date of purchase, or through repurchase agreements with maturities no greater than 90 days in which the underlying securities consist of such obligations. Other allowable investments include authorized bonds of all states, bankers' acceptances, commercial paper rated within the three highest classifications established by rating agencies, and units in the Massachusetts Municipal Depository Trust ("MMDT").

The City's pension and certain other trust funds have additional investment powers, most notably the ability to invest in common stocks, corporate bonds, and other specified investments.

(Continued)

CITY OF BOSTON, MASSACHUSETTS

Notes to General Purpose Financial Statements

Deposits

The following summary presents the amount of City deposits at June 30, 1994. Category 1 includes deposits which are fully insured or collateralized with securities held by the entity or its agent in the entity's name. Category 2 includes deposits that are collateralized with securities held by the pledging financial institution's trust department or agent in the entity's name. Category 3 includes those deposits that are not collateralized (in thousands).

	<u>Category</u>			<u>Total Bank</u>	<u>Carrying</u>
	<u>1</u>	<u>2</u>	<u>3</u>	<u>Balance</u>	<u>Amount</u>
Total cash deposits	\$ <u>11,681</u>	<u>-</u>	<u>252,238</u>	<u>263,919</u>	<u>234,740</u>

Investments

The City and SBRS categorize investments according to the level of risk assumed. Category 1 includes investments that are insured or registered or held by the entity or its agent in the entity's name. Category 2 includes uninsured and unregistered investments held by the counterparty's trust department or agent in the entity's name. Category 3 includes uninsured and unregistered investments held by the counterparty, or by its trust department or agent but not in the entity's name (in thousands).

<u>City of Boston - June 30, 1994</u>	<u>Category</u>			<u>Carrying</u>	<u>Estimated</u>
	<u>1</u>	<u>2</u>	<u>3</u>	<u>Amount</u>	<u>Market</u>
<u>Categorized:</u>					<u>Value</u>
Repurchase agreements	\$ -	-	163,803	\$ 163,803	163,803
U.S. Government obligations	240	18,325	111,077	129,642	126,922
U.S. Government agency obligations	2,172	-	578	2,750	2,769
Debt securities	-	18,179	-	18,179	17,665
Equity securities	-	51,830	-	51,830	55,578
Total	\$ <u>2,412</u>	<u>88,334</u>	<u>275,458</u>	<u>366,204</u>	<u>366,737</u>
<u>Not categorized:</u>					
MMDT				29,145	29,145
Deferred compensation plan mutual funds				68,107	68,107
Total				\$ <u>463,456</u>	<u>463,989</u>

SBRS - December 31, 1993

<u>Categorized:</u>					
U.S. Government obligations	\$ -	219,297	-	219,297	219,297
U.S. Government agency obligations	-	190,926	-	190,926	190,926
Equity securities	-	874,279	-	874,279	874,279
Total	\$ <u>-</u>	<u>1,284,502</u>	<u>-</u>	<u>1,284,502</u>	<u>1,284,502</u>
<u>Not categorized:</u>					
MMDT				62,448	62,448
Real estate				41,566	41,566
Total				\$ <u>1,388,516</u>	<u>1,388,516</u>

(Continued)

CITY OF BOSTON, MASSACHUSETTS

Notes to General Purpose Financial Statements

The composition of the City's bank deposits and investments fluctuates depending primarily on the timing of real estate tax receipts, proceeds from borrowings, collection of state and federal aid, and capital outlays throughout the year.

(4) Property Taxes

Real and personal property taxes are based on values assessed as of each January 1. By law, all taxable property must be assessed at 100% of fair cash value. Once levied which is required to be at least 30 days prior to due date, these taxes are recorded as receivables, net of estimated uncollectibles. Property tax revenues have been recorded using the modified accrual basis of accounting, described in note 1(c).

The City bills and collects its property taxes on a quarterly basis following their January 1 assessment. The due dates for those quarterly tax billings are August 1, November 1, February 1, and May 1. Property taxes that remain unpaid after the respective due dates are subject to penalties and interest charges.

Based on the City's experience, most property taxes are collected during the year in which they are assessed. Liening of properties on which taxes remain unpaid occurs annually. On September 8, 1994, all properties with unpaid fiscal 1994 property taxes were lienied. The City ultimately has the right to foreclose on all properties where the taxes remain unpaid.

A state-wide property tax limitation known as "Proposition 2-1/2" limits the amount of increase in the property tax levy in any fiscal year. Generally, Proposition 2-1/2 limits the total levy to an amount not greater than 2-1/2% of the total assessed value of all taxable property within the City. Secondly, the tax levy cannot increase by more than 2-1/2% of the prior year's levy plus the taxes on property newly added to the tax rolls. Certain provisions of Proposition 2-1/2 can be overridden by a City-wide referendum.

(5) Property, Plant and Equipment

Property, plant and equipment of the enterprise funds, by major category is as follows (in thousands):

	<u>DHH</u>				
	<u>Hospital Facilities</u>	<u>South Block Complex</u>	<u>THH</u>	<u>EDIC</u>	<u>Total</u>
Land	\$ 4,341	132	-	9,241	13,714
Buildings and leasehold improvements	239,528	18,470	-	27,973	285,971
Furniture and equipment	40,133	926	921	1,938	43,918
Construction in progress	<u>37,086</u>	<u>-</u>	<u>-</u>	<u>4,865</u>	<u>41,951</u>
	321,088	19,528	921	44,017	385,554
Less accumulated depreciation	<u>127,711</u>	<u>13,161</u>	<u>563</u>	<u>20,090</u>	<u>161,525</u>
	\$ <u>193,377</u>	<u>6,367</u>	<u>358</u>	<u>23,927</u>	<u>224,029</u>

(Continued)

CITY OF BOSTON, MASSACHUSETTS

Notes to General Purpose Financial Statements

The South Block Complex consists of residential apartments and parking for resident and hospital use.

The following is a summary of changes in the General Fixed Assets Account Group (in thousands):

	Balance, <u>June 30, 1993</u>	Net Additions (Disposals)	Balance, <u>June 30, 1994</u>
Land and buildings	\$ 508,881	(5)	508,876
Furniture and fixtures	31,185	133	31,318
Vehicles and maintenance equipment	54,723	8,240	62,963
Machinery and equipment	<u>27,088</u>	<u>4,954</u>	<u>32,042</u>
	621,877	13,322	635,199
Less accumulated depreciation and amortization	<u>1,981</u>	<u>51</u>	<u>2,032</u>
General fixed assets, net	\$ <u>619,896</u>	<u>13,271</u>	<u>633,167</u>

Accumulated depreciation and amortization relate to BRA fixed assets only.

The fixed assets of the trust funds consist principally of land. No change in that balance occurred during 1994.

(Continued)

CITY OF BOSTON, MASSACHUSETTS

Notes to General Purpose Financial Statements

(6) Interfund Balances

Individual fund interfund receivable and payable balances at June 30, 1994, are as follows (in thousands):

<u>Fund</u>	<u>Interfund Receivable</u>	<u>Interfund Payable</u>
General	\$ 40,440	1,842
Special revenue:		
BRA	2,131	372
Library	-	672
Other	7,733	15,001
Debt service	1,022	-
Capital projects:		
BRA	-	1,610
Other	1,830	3,229
Enterprise:		
DHH	3,500	2,776
THH	-	3,500
Trust and agency:		
BRS	104	-
City Funds	32	264
George Robert White Fund	390	651
Blue Cross	716	-
School Funds	2	5
Neighborhood Housing Trust Fund	-	8
Neighborhood Jobs Trust Fund	8	-
Library	672	-
BRA Agency Fund	378	527
General long-term obligations account group	<u>-</u>	<u>28,501</u>
Balances at June 30, 1994	58,958	58,958
SBRS at December 31, 1993	<u>4,130</u>	<u>-</u>
Balances in accompanying general purpose financial statements	\$ <u>63,088</u>	<u>58,958</u>

The general long-term obligations account group amount of \$28.5 million represents the long-term portion of the subsidy due to DHH from the general fund for the unfunded portion of retirement costs, sick and vacation and judgments and claims.

(Continued)

CITY OF BOSTON, MASSACHUSETTS

Notes to General Purpose Financial Statements

(7) General Long-Term Obligations

The following is a summary of transactions of long-term obligations of the City for the year ended June 30, 1994 (in thousands):

	Interest Rates	Outstanding, Beginning of Year	Additions	Reductions	Outstanding, End of Year
Bonds and Notes Payable:					
General Obligation Refunding Bonds dated 2/1/94	4.0-5.0%	\$ -	85,900	-	85,900
General Obligation Bonds dated 9/1/93	4.0%-4.875%	-	50,000	-	50,000
General Obligation Refunding Bonds dated 2/1/93	3.0-5.65%	92,305	-	770	91,535
General Obligation Bonds dated 2/15/92	4.75-6.5%	62,810	-	2,000	60,810
General Obligation Refunding Bonds dated 5/15/91	5.5-10.0%	78,710	-	27,590	51,120
General Obligation Bonds dated 5/15/91	5.5-6.1%	16,155	-	1,015	15,140
General Obligation Bonds dated 1/1/90	6.25-7.375%	79,410	-	32,835	46,575
General Obligation Bonds dated 3/1/89	7.1-7.5%	41,505	-	13,395	28,110
General Obligation Bonds dated 7/7/88	6.4-7.3%	17,595	-	4,065	13,530
General Obligation Refunding Bonds dated 8/15/86	6.3-7.25%	26,150	-	1,575	24,575
General Obligation Bonds dated 4/15/86	6.3-7.2%	22,200	-	10,325	11,875
General Obligation Bonds dated 5/1/85	8.5-9.2%	13,260	-	9,690	3,570
General Obligation Bonds dated 5/1/84	9.6-9.9%	4,780	-	2,495	2,285
General Obligation Bonds dated 9/1/83	10.0-10.2%	2,995	-	2,040	955
General Obligation Bonds dated 3/1/77	7.25%	6,500	-	1,625	4,875
General Obligation Bonds dated 10/1/76	7.75%	5,055	-	1,685	3,370
General Obligation Bonds dated 3/1/76	9.50%	9,195	-	3,685	5,510
Bearer Bonds dated 6/1/64 through 6/1/80	0.25-8.0%	41,585	-	12,680	28,905
Rapid Transit, term maturities through 1995	2.25-3.0%	4,270	-	4,250	20
Notes payable	5.44%-7.18%	-	20,000	-	20,000
		<u>524,480</u>	<u>155,900</u>	<u>131,720</u>	<u>548,660</u>
Other long-term obligations, net:					
City lease acquisition and refinancing, serial maturities through 1998 (note 8)	2.5%-6.9%	14,885	8,240	8,465	14,660
BRA leases (note 8)		111	146	87	170
Tax abatement refunds		14,200	-	1,080	13,120
Judgments and claims		8,825	18,066	-	26,891
Sick and vacation		74,612	-	986	73,626
Retirement costs (includes BRA)		298,493	-	56,253	242,240
Due to other funds		28,248	253	-	28,501
		<u>\$ 963,854</u>	<u>182,605</u>	<u>198,591</u>	<u>947,868</u>

(Continued)

CITY OF BOSTON, MASSACHUSETTS

Notes to General Purpose Financial Statements

Boston City Hospital ("BCH") is included in the combined enterprise funds and is obligated for Series B, refunding bonds of \$184.6 million. The principal and interest on the bonds is payable principally from payments to be made by the City to a trustee on a mortgage note insured by the United States Department of Housing and Urban Development and, in the event of default by the City, from Mortgage Insurance Benefits. The trustee, in turn, is responsible for the repayment of the bonds solely from the mortgage note payments, certain other funds held by the trustee and a \$21.5 million letter of credit held by the trustee. The mortgage note will be payable from all sources of revenue of the City, including revenues of BCH, subject to annual appropriation. The refunding Series B bonds do not constitute general obligations of the City. Additionally, neither the revenues of BCH nor any other revenues of the City are pledged for their repayment. The annual principal and interest payments under the mortgage note are as follows (in thousands):

Year ending June 30:	
1995	\$ 21,756
1996	12,263
1997	13,247
1998	13,188
1999	13,192
Thereafter	<u>267,586</u>
	341,232
Less interest and discount	<u>156,628</u>
Principal	\$ <u>184,604</u>

On February 9, 1994, the City issued \$85.9 million in General Obligation Bonds dated February 1, 1994 with an average interest rate of 4.54% to advance refund \$74.3 million of 1985, 1986, 1988, 1989, 1990 and 1991 Series bonds with an average interest rate of 7.3%. The refunded bonds were in-substance defeased and as a result, the liability for the refunded bonds has been removed from the general long-term obligations account group. The transaction resulted in a reduction of \$19.2 million in debt service payments over the remaining lives of the bonds and an economic gain of \$1.1 million.

The following prior year transactions also met the requirements of an in-substance defeasance:

- On June 8, 1993, the City issued \$187.7 million in refunding bonds - Boston City Hospital - Series B dated June 1, 1993 with an average interest rate of 5.5% to advance refund \$169.3 million of other revenue bonds - Boston City Hospital - Series A.
- On February 10, 1993, the City issued \$92.3 million in General Obligation Bonds, dated February 1, 1993, to advance refund \$80.5 million of 1983, 1986, 1988, 1989 and 1990 Series bonds.
- On May 30, 1991, the City issued \$16.2 million in General Obligation Bonds, dated May 15, 1991, to advance refund \$14.3 million of 1980, 1984 and 1985 Series bonds.

(Continued)

CITY OF BOSTON, MASSACHUSETTS

Notes to General Purpose Financial Statements

- On August 21, 1986, the City issued \$58.5 million in General Obligation Bonds, dated August 15, 1986, to advance refund \$47.8 million of 1980, 1983, 1984 and 1985 Series bonds.

The principal amount of debt refunded through in-substance defeasance transactions and still outstanding at June 30, 1994 was \$347 million.

The annual debt service requirements of bonds and notes payable outstanding as of June 30, 1994 are as follows (in thousands):

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
Year ending June 30:			
1995	\$ 53,305	31,435	84,740
1996	49,965	28,077	78,042
1997	44,725	24,965	69,690
1998	42,685	22,074	64,759
1999	38,805	19,501	58,306
2000-2003	130,180	57,451	187,631
2004-2008	111,765	36,155	147,920
2009-2013	71,435	11,502	82,937
2014-2017	<u>5,795</u>	<u>163</u>	<u>5,958</u>
	\$ <u>548,660</u>	<u>231,323</u>	<u>779,983</u>

General obligation bonds are backed by the full faith and credit of the City. The Commonwealth of Massachusetts has approved school construction assistance, subject to annual appropriation by the State Legislature and reports filed with the Commonwealth by the City, to partially provide resources for future principal and interest requirements on general obligation school bonds of the City. In addition, the Boston Water and Sewer Commission ("BWSC") is required by its enabling legislation to reimburse the City for future principal and interest requirements on the general obligation water and sewer bonds. As of June 30, 1994, such resources expected to be provided to the City total \$138.8 million from the Commonwealth and \$510,000 from the BWSC.

As of June 30, 1994, the City has \$400,000 on deposit with the Board of Sinking Funds Commissioners for retirement of rapid transit general obligation bonds. The deposit is accounted for in the debt service fund. If payments by the Board from the sinking fund are not sufficient to fully provide for principal and interest on such debt as it becomes due, the City is entitled to receive direct payments from the Massachusetts Bay Transportation Authority ("MBTA") to the extent of any such deficiency.

The City is subject to a dual general debt limit; the normal debt limit and the double debt limit. Such limits are equal to 2-1/2% and 5%, respectively, of the valuation of taxable property in the City as last equalized by the State Department of Revenue. Debt may be authorized up to the normal debt limit without state approval. Authorizations under the double debt limit, however, require the approval of the Commonwealth's Emergency Finance Board. Additionally, there are many categories of general obligation debt which are exempt from the debt limit but are subject to other limitations.

(Continued)

CITY OF BOSTON, MASSACHUSETTS

Notes to General Purpose Financial Statements

As of June 30, 1994, the City may issue \$993 million of additional general obligation debt under the dual level general debt limit. General obligation debt of \$267.6 million, subject to the double debt limit, and \$86 million, exempt from the debt limit, is authorized but unissued as of June 30, 1994.

The City pays assessments to the MBTA under formulas that include debt service payments (commonly referred to as overlapping debt). At June 30, 1994, the MBTA had \$247 million in long-term debt outstanding of which the City's estimated share was approximately 42.4%, or \$105 million.

The "Total Memorandum Only" amount on the balance sheet for bonds, loans and notes payable is detailed as follows (in thousands):

Obligations of the primary government:

Bonds payable of the City as described above	\$ 528,660
Notes payable of the City as described above	20,000
Boston City Hospital - Series B Bonds as described above	184,604
Notes payable to insurance companies from the Neighborhood Housing Trust Fund due in various amounts through April 24, 2002	<u>5,809</u>
	<u>739,073</u>

Obligations of component units:

EDIC:

Notes payable	2,953
Mortgage loans	6,395
Industrial Development bonds	<u>16,407</u>
	<u>25,755</u>

BRA:

Loan payable to General Service Administration	9,900
Mortgage loan	<u>1,475</u>
	<u>11,375</u>

"Total Memorandum Only"	\$ <u><u>776,203</u></u>
-------------------------	--------------------------

(8) Leases

The City has entered into two master installment sale agreements. As of June 30, 1994, the amount financed under these arrangements totaled \$68.0 million, with \$14.7 million currently outstanding. The City's commitment under noncapitalized leases is not significant.

Future minimum payments under capital leases and installment sales as of June 30, 1994, are as follows (in thousands):

	<u>GLTOAG</u>		<u>Enterprise</u>		<u>Total</u>
	<u>City</u>	<u>BRA</u>	<u>DHH</u>	<u>EDIC</u>	
1995	\$ 7,094	80	1,746	137	9,057
1996	4,777	40	1,185	5	6,007
1997	2,340	34	611	-	2,985
1998	1,468	27	189	-	1,684
1999 and thereafter	<u>-</u>	<u>13</u>	<u>-</u>	<u>-</u>	<u>13</u>
Total minimum lease payments	15,679	194	3,731	142	19,746
Less amount representing interest	<u>1,019</u>	<u>24</u>	<u>472</u>	<u>29</u>	<u>1,544</u>
	\$ <u><u>14,660</u></u>	<u><u>170</u></u>	<u><u>3,259</u></u>	<u><u>113</u></u>	<u><u>18,202</u></u>

(Continued)

CITY OF BOSTON, MASSACHUSETTS

Notes to General Purpose Financial Statements

(9) Retirement Plans

(a) Plan Description

The City provides retirement benefits to employees through a contributory retirement system administered by the State-Boston Retirement System (the "System"), a cost-sharing, multiple-employer public employee retirement system. Each participating employer's share of the total annual contribution is determined on the basis of active payroll. The payroll for employees covered in the System for the year ended June 30, 1994, was approximately \$729 million; the City's total payroll was approximately \$795 million. Because the City is such a dominant employer, certain disclosures required for single employer plans have also been made.

The City also participates in the Boston Retirement System ("BRS") and made benefit payments of approximately \$7 million for the year ended June 30, 1994. The BRS plan participants were frozen in 1946. Actuarial disclosures for BRS are not material.

The System is a contributory defined-benefit plan. Participation in the System is mandatory for all permanent full-time employees (including public school teachers) immediately upon commencement of employment. The cost of teachers' pension benefits is reimbursed by the Commonwealth of Massachusetts (the "Commonwealth"). The System is a member of the Massachusetts Contributory Retirement System and is governed by Chapter 32 of the Massachusetts General Laws. The following is a breakdown of the membership of the System at January 1, 1994:

Active participants	21,701
Pensioners and beneficiaries	13,679
Inactive participants with vested rights	<u>253</u>
	<u>35,633</u>

Members of the System become vested after 10 years of creditable service. A retirement allowance may be received upon reaching age 65, or upon attaining 20 years of service. The System also provides for early retirement at age 55 if the participant (1) has a record of 10 years of creditable service, (2) was on the City's payroll on January 1, 1978, (3) voluntarily left City employment on or after that date, and (4) left accumulated annuity deductions in the System. Active members contribute either 5, 7 or 8% of their gross regular compensation depending upon the date that their membership began. In addition, members who joined the System after January 1, 1979 are required to contribute an additional 2% of regular compensation over \$30,000. The City is required to contribute the remaining amounts necessary to pay benefits when due.

(b) Funding Status and Progress

The amount shown below as the "Pension Benefit Obligation" for the System is a standardized disclosure measure of the present value of pension benefits, adjusted for the effects of projected salary increases and step-rate benefits and estimated to be payable in the future as a result of employee service to date. The measure is intended to help users assess the funding status of the System on a going-concern basis, assess progress made in accumulating sufficient assets to pay benefits when due, and make comparisons among employers. The measure is the actuarial present value of credited projected benefits and is independent of the funding method used to determine contributions to the System.

(Continued)

CITY OF BOSTON, MASSACHUSETTS

Notes to General Purpose Financial Statements

The pension benefit obligation was computed as part of an actuarial valuation performed as of January 1, 1994 (which was updated as of June 30, 1994). Significant actuarial and other assumptions used in the valuation include (1) a rate of return on the investment of present and future assets of 10% per year compounded annually, (2) projected salary increases of 6% per year compounded annually and attributable inflation, (3) no post-retirement benefit increases, and (4) removal of the \$30,000 compensation cap and other changes resulting from the adoption of Chapter 32, Section 22D.

The unfunded pension benefit obligation and the unfunded accumulated benefit obligation at June 30, 1994 are as follows (in thousands):

	<u>City</u>	<u>BRA</u>	<u>Other Entities*</u>	<u>Total</u>
Retirees and beneficiaries currently receiving benefits and terminated employees not yet receiving benefits	\$ 1,008,802	9,930	37,445	1,056,177
Current employees:				
Accumulated employee contributions including investment earnings	615,860	6,606	30,652	653,118
Employer-financed, vested	309,783	3,103	15,219	328,105
Employer-financed, nonvested	158,047	1,319	6,689	166,055
Cost-of-living adjustments reimbursable by the Commonwealth	<u>258,308</u>	<u>2,238</u>	<u>10,351</u>	<u>270,897</u>
Total pension benefit obligation	2,350,800	23,196	100,356	2,474,352
Net assets available for benefits, at market	<u>1,365,665</u>	<u>18,884</u>	<u>65,510</u>	<u>1,450,059</u>
Unfunded pension benefit obligation	985,135	4,312	34,846	1,024,293
Less:				
Adjustment to reduce the unfunded pension benefit obligation for projected salary increases	157,009	1,250	6,567	164,826
Cost-of-living adjustments reimbursable by the Commonwealth	258,308	2,238	10,351	270,897
Estimated amounts to be reimbursed by the Commonwealth for teachers, net of related assets	<u>306,079</u>	<u>-</u>	<u>-</u>	<u>306,079</u>
Unfunded accumulated benefit obligation	\$ <u>263,739</u>	<u>824</u>	<u>17,928</u>	<u>282,491</u>

* Not included in the general purpose financial statements.

The City has recorded \$242.2 million of the unfunded accumulated benefit obligation as a liability in the general long-term obligations account group since it represents the approximate amount of unfunded pension costs accrued to date. The remaining \$22.3 million is recorded as a liability in the enterprise fund.

(c) Contribution Requirements and Contributions Made

The System's funding policy is governed by Section 22D of Chapter 32. Accordingly, each year members of the System are required to fund an amount equal to the actuarially determined normal cost plus an amount to amortize the unfunded liability by June 30, 2020.

(Continued)

CITY OF BOSTON, MASSACHUSETTS

Notes to General Purpose Financial Statements

Normal cost is based upon the entry age normal cost method and increases each year but is projected to remain relatively level as a percentage of payroll. The method used to amortize the unfunded liability results in an 4-1/2% increase in pension cost each year. The Commonwealth currently reimburses the System for the portion of benefit payments owing to cost-of-living increases granted after the implementation of Proposition 2-1/2. In addition, the Commonwealth reimburses the City for benefits paid to school teachers. Significant actuarial assumptions used to compute actuarially determined contribution requirements are the same as those used to compute the pension benefit obligation.

The City's contribution to the System of \$100 million (14% of approximately \$729 million covered payroll), which included \$33 million for teachers, was made in accordance with the funding policy described above and represented approximately 95% of all employer contributions to the System. Of the City's contribution, \$24 million (24%) was used to cover normal cost while \$76 million (76%) was used to amortize the unfunded actuarial liability. BRA's contribution to the System amounted to \$751,000 of which \$204,000 (27%) was normal cost and the remainder was used to amortize the unfunded actuarial liability (73%).

(d) Special Termination Benefits

During the year, DHH, Boston Public Schools (BPS) and the BRA, elected to have their employees eligible for an early retirement incentive program. The following table presents the additional liability and contribution as of June 30, 1994 on the basis of 15 year amortization increasing at 4.5% per year:

	<u>Additional Accrued Liability</u>	<u>Amortization Payment</u>
BPS (teachers)	\$ 20,080,000	\$ 1,875,000
DHH	12,550,000	1,172,000
BRA	1,331,290	125,000

The Commonwealth of Massachusetts will pay 50% of the total cost of the pensions for the teacher retirees.

(e) Trend Information

For the three years ended 1994, 1993 and 1992: available assets were sufficient to fund 59%, 58% and 54% of the pension benefit obligation, respectively. The unfunded pension benefit obligation represented 140%, 138% and 154% of the annual payroll for employees covered by the System for 1994, 1993 and 1992, respectively. Contributions represent 14%, 16% and 17% of annual covered payroll for 1994, 1993 and 1992, respectively, and were made in accordance with actuarial requirements.

Ten-year historical trend information presenting the System's progress in accumulating sufficient assets to pay benefits when due as well as revenues by source and expenses by type is presented in the Required Supplementary Information on pages 34 and 35 of this report.

(Continued)

CITY OF BOSTON, MASSACHUSETTS

Notes to General Purpose Financial Statements

(10) Other Post-employment Benefit Disclosures

In addition to the pension benefits described in note 9, the city provides post-retirement health care and life insurance benefits, in accordance with state statute and City ordinance, to eligible retirees. Currently 12,500 retirees meet the eligibility requirements. The City pays 75% of BC/BS premiums and 90% of HMO premiums for medical and hospitalization incurred by retirees and dependents. The City also pays 75% of BC/BS Medicare premiums for each Medicare eligible retiree. The City provides for \$5,000 of life insurance for each eligible retiree.

Expenditures, estimated to be \$28.8 million for these health care and life insurance benefits to retirees for 1994, are accounted for on a pay-as-you-go basis.

(11) Operating Transfers

Operating transfers constitute the transfer of resources from the fund that receives the resources to the fund that utilizes them. Operating transfers during the year were as follows (in thousands):

	Transfers in (out)					Trust Funds	
	General	Special Revenue	Debt Service	Capital Projects	Enterprise	Expendable	Nonexp.
Purpose of transfer:							
DHH subsidy	\$ (25,137)	-	(2,761)	(2,994)	30,892	-	-
Amount transferred from long-term obligations account group	<u>253</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
	(24,884)	-					
Debt service	(86,952)	(406)	87,358	-	-	-	-
Capital projects	-	(62)	-	62	-	-	-
Trust funds	<u>600</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,047</u>	<u>641</u>	<u>(2,288)</u>
\$	<u>(111,236)</u>	<u>(468)</u>	<u>84,597</u>	<u>(2,932)</u>	<u>31,939</u>	<u>641</u>	<u>(2,288)</u>

The operating transfers do not balance by \$253,000, the amount transferred from the general fund to increase the liability to the DHH in the GLTOAG.

(Continued)

CITY OF BOSTON, MASSACHUSETTS

Notes to General Purpose Financial Statements

(12) Fund Deficits and Excess of Expenditures

The following funds had deficit equity balances at June 30, 1994 (in thousands):

Special revenue:	
Building Loan Program	\$ 7,396
HUD Grants	9
Housing Development Action Grants	<u>97</u>
	<u>7,502</u>
Capital projects:	
Trust funds	246
Chapter 90 Public Ways	1,355
BRA	<u>7,325</u>
	<u>8,926</u>
Enterprise:	
THH	<u>12,405</u>
	\$ <u>28,833</u>

The City had expenditures in excess of their budgeted amounts for the year ended June 30, 1994 in the following categories (in thousands):

Public safety:	
Police	\$ 2,051
Public works:	
Snow removal	6,513
Judgments and claims	2,189
Other employee benefits:	
Worker's compensation fund	1,062
State and district assessments:	
Health insurance/retirement	245
Motor vehicle excise tax bill	908
Mosquito control projects	30
Special education chapter 766	<u>163</u>
	\$ <u>13,161</u>

Excess expenditures in public safety, snow removal and judgments and claims are allowed under the budgetary laws governing the City. State and district assessments overexpenditure is due to the change in estimates of state assessments by the Commonwealth.

(13) Deferred Compensation Plan

The City has deferred compensation plans created in accordance with Internal Revenue Code Section 457. The plan, available to all employees of the City, permits them to defer a portion of their salaries until future years. The deferred compensation is not available to employees until termination, retirement, death, or unforeseeable emergency. All amounts of compensation deferred under the plan, all property and rights purchased with those

(Continued)

CITY OF BOSTON, MASSACHUSETTS

Notes to General Purpose Financial Statements

amounts, and all income attributable to those amounts, property, or rights are (until paid or made available to the employee or other beneficiary) solely the property and rights of the City (without being restricted to the provision of benefits under the plan), subject only to the claims of the City's general creditors. Participants' rights under the plan are equal to the fair market value of the deferred account for each participant. All plan assets are stated at market value.

It is the opinion of the City that it has no liability for losses under the plan, but it does have the duty of due care which would be required of an ordinary prudent investor. The plan assets are subject to the claims of the City's general creditors; however, plan assets have not been used in the past to satisfy such claims.

The market value of the assets and liabilities of the deferred compensation plan of \$68.1 million are included in Agency Funds at June 30, 1994.

(14) Contingencies

There are numerous pending matters and lawsuits in which the City is involved. The City attorneys estimate that the potential claims against the City not recorded in the accompanying general purpose financial statements resulting from such litigation would not materially affect the general purpose financial statements.

(15) Segment Information

The City maintains three enterprise funds for which segment information is presented below (in thousands):

	<u>DHH</u>	<u>THH</u>	<u>EDIC</u>	<u>Total</u>
Operating revenues	\$ 223,936	83,282	5,963	313,181
Depreciation expense	11,637	-	1,193	12,830
Operating income (loss)	(25,671)	(3,632)	(14,773)	(44,076)
Operating transfers	30,892	1,047	-	31,939
Net income (loss)	142	(2,585)	615	(1,828)
Property, plant and equipment additions	33,682	-	3,732	37,414
Total assets	320,321	10,274	50,236	380,831
Bonds payable	184,604	-	25,755	210,359
Total equity	63,861	(12,405)	7,333	58,789
Net working capital	64,770	(7,061)	3,387	61,096

There was no change in the balance in contributed capital of the Proprietary funds in 1994.

CITY OF BOSTON, MASSACHUSETTS

State-Boston Retirement System Required Supplementary Information

Revenues by Source and Expenses by Type (In Thousands)

Calendar Year (1)	Revenue by Source				
	<u>Employee Contributions</u>	<u>Employer Contributions</u>	<u>Investment Income</u>	<u>Other Income (2)</u>	<u>Total</u>
1984	\$ 25,529	133,433	2,893	4,925	166,780
1985	28,461	123,466	93,867	6,029	251,823
1986	31,017	116,069	134,065	1,233	282,384
1987	34,961	122,742	55,593	27,628	240,924
1988	39,197	132,302	(6,495)	12,863	177,867
1989	46,736	127,968	141,516	10,887	327,107
1990	50,195	120,890	(21,218)	21,336	171,203
1991	51,169	126,267	196,536	20,062	394,034
1992	50,085	157,849	59,418	24,143	291,495
1993	50,685	124,106	176,507	23,592	374,890

Calendar Year (1)	Expenses by Type				<u>Total</u>
	<u>Benefits</u>	<u>Administrative Expenses (3)</u>	<u>Refunds</u>	<u>Other Expenses</u>	
1984	\$ 114,598	1,657	6,661	8,790	131,706
1985	119,603	1,376	8,830	2,596	132,405
1986	127,096	1,298	8,766	1,704	138,864
1987	133,859	1,286	11,634	3,224	150,003
1988	140,277	3,133	5,670	7,856	156,936
1989	149,936	1,950	10,084	4,423	166,393
1990	155,003	2,017	8,025	4,759	169,804
1991	158,622	1,478	9,855	5,250	175,205
1992	169,048	1,261	10,041	5,658	186,008
1993	174,126	1,339	9,427	7,053	191,945

- (1) Except for 1984 through 1989 which are as of June 30th.
- (2) Includes reimbursements from the Commonwealth for cost-of-living adjustments.
- (3) Includes investment management fees.
- (4) The above amounts do not agree to the accompanying combined financial statements because the latter includes the Boston Retirement System, a frozen pension plan which is immaterial.

CITY OF BOSTON, MASSACHUSETTS

State-Boston Retirement System Required Supplementary Information

Analysis of Funding progress (In Millions)

Fiscal Year	(1) Net Assets Available for Benefits*	(2) Pension Benefit Obligation	(3) Percentage Funded (1)/(2)	(4) Unfunded Pension Benefit Obligation (2)-(1)	(5) Annual Covered Payroll	(6) Unfunded Pension Benefit Obligation as a Percentage of Annual Payroll (4)/(5)
1988	748	1,851	40%	1,103	607	182%
1989	942	1,803	52%	861	654	132%
1990	1,029	2,154	48%	1,125	654	172%
1991	1,060	2,114	50%	1,054	663	159%
1992	1,196	2,220	54%	1,024	663	154%
1993	1,354	2,328	58%	974	707	138%
1994	1,450	2,474	59%	1,024	729	140%

*Net assets are stated on the basis explained in note 9 to the general purpose financial statements.

Isolated analysis of the dollar amounts of net assets available for benefits, pension benefit obligation and unfunded pension benefit obligation can be misleading. Expressing the net assets available for benefits as a percentage of the pension benefit obligation provides an indication of the City's funding status on a going-concern basis. Analysis of this percentage over time indicates whether the system is becoming financially stronger or weaker. Generally, the greater this percentage, the stronger the Public Employee Retirement System (PERS). Trends in unfunded pension benefit obligation and annual covered payroll are both affected by inflation. Expressing the unfunded pension benefit obligation as a percentage of annual covered payroll approximately adjusts for the effects of inflation and aids analysis of the progress made in accumulating sufficient assets to pay benefits when due. Generally, the smaller this percentage, the stronger the PERS.

Note: Information prior to 1988 is not available.



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GENERAL FUND

The general fund is the operating fund of the City. It is used to account for all revenues, expenditures and other financial resources except those required to be accounted for in other funds.

Exhibit A-1

GENERAL FUND
Comparative Balance Sheets
June 30, 1994 and 1993

	<u>1994</u>	<u>1993</u>
ASSETS		
Cash and investments	\$ 194,873,949	\$ 117,064,844
Receivables (net, where applicable, of allowance for estimated uncollectible amounts):		
Property taxes	113,002,092	106,945,129
Motor vehicle excise	8,223,934	11,162,752
Intergovernmental	34,578,012	28,000,000
Departmental and other	6,154,481	6,427,434
Total receivables	<u>161,958,519</u>	<u>152,535,315</u>
Due from other funds	40,440,221	58,154,145
Total assets	\$ <u>397,272,689</u>	\$ <u>327,754,304</u>
LIABILITIES AND FUND BALANCES		
Liabilities:		
Warrants and accounts payable	\$ 98,824,795	\$ 66,934,431
Accrued liabilities:		
Tax abatement refunds	73,101,789	54,000,000
Other	16,969,493	14,065,412
Due to other funds	1,841,957	3,503,304
Deferred revenue	116,378,916	116,382,015
Total liabilities	<u>307,116,950</u>	<u>254,885,162</u>
Fund balances and other credits:		
Reserved for:		
Encumbrances and continuing appropriations	9,082,071	7,442,005
Expenditures	1,041,321	1,277,469
Unreserved:		
Undesignated	80,032,347	64,149,668
Total fund balance	<u>90,155,739</u>	<u>72,869,142</u>
Total liabilities and fund balance	\$ <u>397,272,689</u>	\$ <u>327,754,304</u>

Exhibit A-2

GENERAL FUND

Comparative Statements of Revenues, Expenditures and Changes in Fund Balance
Year Ended June 30, 1994 and 1993

	<u>1994</u>	<u>1993</u>
REVENUES:		
Local:		
Real and personal property taxes, net	\$ 612,459,606	\$ 586,532,724
Excises	49,310,731	55,597,437
Payments in lieu of taxes	48,083,272	49,115,266
Fines	47,251,995	51,156,510
Investment income	10,752,276	8,754,608
Licenses and permits	16,838,663	16,352,695
Departmental and other revenue	35,337,984	33,065,549
Total local revenues	<u>820,034,527</u>	<u>800,574,789</u>
Intergovernmental:		
Commonwealth of Massachusetts	<u>331,430,687</u>	<u>305,908,303</u>
Total intergovernmental revenues	<u>331,430,687</u>	<u>305,908,303</u>
Total revenues	<u>1,151,465,214</u>	<u>1,106,483,092</u>
EXPENDITURES:		
Current:		
General government	35,594,664	36,499,898
Human services	5,187,483	4,902,610
Public safety	252,668,267	235,420,734
Public works	59,480,547	53,863,798
Property and development	21,528,367	21,543,128
Parks and recreation	9,776,285	10,398,886
Library	21,435,983	21,028,214
Schools	405,372,016	370,832,185
County	10,510,626	11,096,232
Judgments and claims	8,256,014	7,640,158
Other employee benefits	71,174,502	68,216,171
Retirement costs	59,501,976	81,499,080
State and district assessments	58,272,253	55,163,255
Capital outlays	<u>4,183,831</u>	<u>3,139,181</u>
Total expenditures	<u>1,022,942,814</u>	<u>981,243,530</u>
Excess (deficiency) of revenues over expenditures	<u>128,522,400</u>	<u>125,239,562</u>
OTHER FINANCING SOURCES (USES):		
Operating transfers in (out), net	<u>(111,235,803)</u>	<u>(116,520,667)</u>
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	17,286,597	8,718,895
Fund balance, beginning of year	<u>72,869,142</u>	<u>64,150,247</u>
Fund balance, end of year	<u>\$ 90,155,739</u>	<u>\$ 72,869,142</u>

Exhibit A - 3

GENERAL FUND

Schedule of Revenues and Other Financing Sources Compared to Budget (Budgetary Basis)

Year Ended June 30, 1994

(with comparative actual amounts for 1993)

Classification	1994				Variance Favorable (Unfavorable)	1993 Actual
	Original Budget	Final Budget	Actual			
PROPERTY TAXES						
Real and Personal Property Taxes	\$ 625,199,276	\$ 625,199,276	\$ 625,196,319	\$ (2,957)	\$ 590,662,528	
Revenue class total	625,199,276	625,199,276	625,196,319	(2,957)	590,662,528	
MOTOR VEHICLE EXCISE						
Motor Vehicle Excise – Current	20,500,000	20,500,000	13,436,128	(7,063,872)	26,046,159	
Motor Vehicle Excise – Prior Years	–	–	8,267,890	8,267,890	3,986,694	
Boat Excise – Current	20,000	20,000	24,487	4,487	21,310	
Boat Excise – Prior Years	–	–	25	25	(65)	
Revenue class total	20,520,000	20,520,000	21,728,530	1,208,530	30,054,098	
OTHER EXCISE TAXES						
Hotel / Motel Room Excise	14,100,000	14,100,000	15,033,090	933,090	14,063,809	
Aircraft Fuel Excise	11,400,000	11,400,000	12,452,708	1,052,708	11,387,205	
Condominium Con. Excise	80,000	80,000	93,500	13,500	65,000	
Urban Redevelopment Ch.121A	23,700,000	23,700,000	26,893,707	3,193,707	27,641,033	
County Deeds Excise Fund	–	–	–	–	27,312	
Revenue class total	49,280,000	49,280,000	54,473,005	5,193,005	53,184,359	
COMMONWEALTH OF MASSACHUSETTS						
State Owned Lands	242,711	242,711	242,362	(349)	280,048	
R.E. Abatements – Elderly	–	–	39,853	39,853	49,845	

GENERAL FUND

Schedule of Revenues and Other Financing Sources Compared to Budget (Budgetary Basis)

Year Ended June 30, 1994

(with comparative actual amounts for 1993)

Classification	1994				1993 Actual
	Original Budget	Final Budget	Actual	Variance	
				Favorable (Unfavorable)	
R.E. Abatements – Other	335,553	335,553	264,150	(71,403)	264,150
R.E. Abatements – Blind	–	–	28,263	28,263	28,788
Elderly Exemptions 1977 Chapter 967	1,056,500	1,056,500	971,370	(85,130)	1,056,500
Municipal Stabilization Aid	1,886,059	1,886,059	3,257,725	1,371,666	–
State Lottery Local Aid	27,232,544	27,232,544	27,232,544	–	27,232,544
Highways – Local Aid	836,474	836,474	836,476	2	828,848
Veterans Services – Local Aid	1,239,438	1,239,438	1,298,737	59,299	900,350
Pensions – Retired Teachers	28,000,000	28,222,746	28,222,746	–	27,184,374
Local Aid – Add'l Assistance Chapter 36	206,638,214	206,638,214	206,638,214	–	206,638,214
Racing Taxes	240,552	240,552	339,445	98,893	360,827
School Construction – State	13,550,767	13,550,767	13,550,767	–	13,285,197
School Aid Chapter 70	66,602,012	66,602,012	66,640,086	38,074	44,990,828
Transportation of Pupils	9,067,770	9,067,770	9,950,740	882,970	9,992,164
Tuition For State Wards	–	–	139,955	139,955	–
Revenue class total	356,928,594	357,151,340	359,653,433	2,502,093	333,092,678
HEALTH AND HOSPITALS					
Boston City Hospital	149,400,000	149,400,000	151,981,175	2,581,175	146,751,633
Mattapan Hospital	13,980,000	13,980,000	11,409,076	(2,570,924)	8,031,703
Revenue class total	163,380,000	163,380,000	163,390,251	10,251	154,783,336
DEPARTMENTAL & OTHER REVENUE					
Penalties & Interest – Property Taxes	1,600,000	1,600,000	1,491,737	(108,263)	1,640,002
Penalties & Interest – Motor Vehicle	2,703,874	2,703,874	2,959,494	255,620	2,913,381
Penalties & Interest – Sidewalk	–	–	29	29	38

Exhibit A - 3 (continued)

GENERAL FUND

Schedule of Revenues and Other Financing Sources Compared to Budget (Budgetary Basis)

Year Ended June 30, 1994

(with comparative actual amounts for 1993)

Classification	1994				Variance	1993
	Original Budget	Final Budget	Actual	Favorable (Unfavorable)		Actual
Penalties & Interest - Tax Title	4,000,000	4,000,000	3,442,475	(557,525)		4,191,787
Penalties & Interest - Street Assessments	-	-	-	-		14
Penalties & Interest - Boat Excise	-	-	2,903	2,903		50
Purchasing Services	50,000	50,000	121,976	71,976		21,771
Recording of Legal Instruments	180	180	267	87		302
Registry Division Fees	800,000	800,000	798,408	(1,592)		801,253
City Record Sale of Publications	60,000	60,000	56,159	(3,841)		64,084
Assessing Fees	25,000	25,000	32,265	7,265		25,942
Liens	600,000	600,000	735,850	135,850		662,380
City Clerk Fees	300,000	300,000	350,445	50,445		347,084
Election Fees	14,000	14,000	20,387	6,387		132,035
Rent Equity Fees	900,000	900,000	1,019,711	119,711		993,866
Public Health Support Payments	500,000	500,000	1,816,442	1,316,442		2,000,001
City Council Sale of Publications	500	500	1,049	549		930
Other General Services	24,000	24,000	31,936	7,936		22,820
Police Services	550,000	624,905	970,005	345,100		601,257
Fire Services	1,350,000	1,350,000	1,566,818	216,818		1,491,147
Civil Defense	-	-	-	-		-
Parking Facilities	1,400,000	1,400,000	2,011,590	611,590		1,316,724
Street, Sidewalk and Curb Repairs	2,300,000	2,300,000	3,814,110	1,514,110		2,994,355
Real Property - Rents	45,000	45,000	79,596	34,596		71,745
Demolition of Abandoned Structures	40,000	40,000	33,780	(6,220)		7,737
Building - Rents	110,000	110,000	142,536	32,536		123,838
Damage to City Property	20,000	20,000	-	(20,000)		8,779
Other Revenues - Public Facilities	20,000	20,000	9,105	(10,895)		3,943

Exhibit A-3 (continued)

GENERAL FUND

Schedule of Revenues and Other Financing Sources Compared to Budget (Budgetary Basis)
 Year Ended June 30, 1994
 (with comparative actual amounts for 1993)

Classification	1994				1993 Actual
	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)	
Concessions - Parks	2,000	2,000	4,797	2,797	974
Miscellaneous - Parks	9,000	9,000	7,725	(1,275)	6,650
Veterans Services	56,000	56,000	46,919	(9,081)	52,925
Public Works - Other Charges	4,000	4,000	2,383	(1,617)	2,513
Tuition and Transportation - Schools	500,000	500,000	516,022	16,022	509,106
Instructions - Schools	-	-	4,998	4,998	-
Miscellaneous Receipts - Schools	20,000	20,000	26,149	6,149	21,729
Library Fees	150,000	150,000	156,756	6,756	136,042
Library - Trustees	-	-	24	24	17
Library of Last Recourse	-	2,552,447	2,552,447	-	2,502,116
Registry of Deeds	1,580,000	1,580,000	2,222,478	642,478	1,611,936
Telephone Commissions - Court House	-	-	-	-	1,426
Telephone Commissions - Jail	45,000	45,000	2,371	(42,629)	26,914
New Court House Trial Court Space Rental	1,320,000	1,320,000	-	(1,320,000)	-
Telephone Commissions - Real Property	100,000	100,000	94,775	(5,225)	107,883
Insurance Proceeds	25,000	25,000	35,339	10,339	38,851
City Workers' Comp. Reimbursement	1,000,000	1,000,000	813,881	(186,119)	1,135,513
Settlements - Water/Sewer	250,000	250,000	121,103	(128,897)	523,144
Fringe Reimbursements	-	-	-	-	11,460
Pensions and Annuities	2,200,000	2,200,000	2,360,130	160,130	3,125,036
Indirect Costs Reimbursement	700,000	700,000	547,874	(152,126)	928,719
Fire Department Special Detail	60,000	-	52,592	52,592	27,010
Sale of Real Estate	-	-	-	-	448
Prior Year Reimbursements	979,676	979,676	1,398,728	419,052	1,053,953
Tellers Adjustments	-	-	(508)	(508)	(1,032)

Exhibit A-3 (continued)

GENERAL FUND

Schedule of Revenues and Other Financing Sources Compared to Budget (Budgetary Basis)

Year Ended June 30, 1994

(with comparative actual amounts for 1993)

Classification	1994				1993 Actual
	Original Budget	Final Budget	Actual	Variance	
				Favorable (Unfavorable)	
Miscellaneous Refunds	40,000	40,000	102,418	62,418	49,670
Miscellaneous Collections	10,000	10,000	13,212	3,212	17,855
Child Support Reimbursement	38,800	38,800	32,999	(5,801)	37,387
Miscellaneous – Treasury	–	–	(531)	(531)	(81,954)
Paid Detail – Administrative Fees	1,600,000	1,600,000	1,458,188	(141,812)	1,611,585
Public Facilities – Administrative Fees	10,500	10,500	5,039	(5,461)	9,977
Fire – Administrative Fees	–	60,000	47,005	(12,995)	–
Revenue class total	28,112,530	30,739,882	34,134,386	3,394,504	33,905,118
FINES					
Parking Fines	45,400,000	45,400,000	16,058,834	(29,341,166)	17,627,499
Mail Collection of Parking fines	–	–	30,000,000	30,000,000	30,063,247
Superior Criminal Court	1,000	1,000	220	(780)	5,050
Municipal Criminal Court	30,000	30,000	32,835	2,835	44,378
Municipal Civil Court	2,233,300	2,233,300	1,978,098	(255,202)	1,950,431
East Boston District Court	55,000	55,000	61,872	6,872	58,685
Brighton District Court	50,000	50,000	52,158	2,158	71,167
Charlestown District Court	1,000	1,000	745	(255)	2,470
Dorchester District Court	55,000	55,000	52,599	(2,401)	55,340
Roxbury District Court	25,000	25,000	30,187	5,187	43,310
South Boston District Court	20,000	20,000	20,855	855	38,723
West Roxbury District Court	20,000	20,000	21,080	1,080	38,100
ISD – Board of Appeals	1,500	1,500	1,441	(59)	484
House of Correction – Regular	5,000	5,000	2,967	(2,033)	–

GENERAL FUND

Schedule of Revenues and Other Financing Sources Compared to Budget (Budgetary Basis)

Year Ended June 30, 1994

(with comparative actual amounts for 1993)

<u>Classification</u>	1994				Variance Favorable (Unfavorable)	1993 Actual
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>		
County Jail	-	-	25,827	25,827	-	-
Code Enforcement	100,000	100,000	92,409	(7,591)	141,140	141,140
Revenue class total	47,996,800	47,996,800	48,432,127	435,327	50,140,022	50,140,022
PAYMENTS IN LIEU OF TAXES						
Boston College	103,000	103,000	102,120	(880)	100,000	100,000
New England Deaconess Hospital	42,000	42,000	42,000	-	42,000	42,000
New England Medical Center Hospital	290,000	290,000	275,240	(14,760)	350,673	350,673
Digital Equipment	42,800	42,800	42,800	-	42,800	42,800
Blue Cross / Blue Shield	467,000	467,000	(170)	(467,170)	430,717	430,717
Old City Hall	485,000	485,000	543,384	58,384	542,793	542,793
Boston University	350,000	350,000	386,386	36,386	347,386	347,386
Urban Redevelopment Chapter 121A	7,500,000	8,603,090	9,984,887	1,381,797	8,395,959	8,395,959
Miscellaneous	-	-	-	-	14,380	14,380
Mass Port Authority	6,017,739	6,017,739	6,017,739	-	6,017,739	6,017,739
Sale of Property - Special Tax	40,000	40,000	30,935	(9,065)	65,824	65,824
Comm. of Mass - Special Taxes	-	-	-	-	13,199	13,199
Berkeley School	155,000	155,000	151,830	(3,170)	153,206	153,206
Trimount Foundation	18,000	18,000	14,800	(3,200)	14,800	14,800
Harvard Community Health Plan	212,000	212,000	212,810	810	205,679	205,679
Hood Milk	-	-	-	-	248,750	248,750
Mass General Hospital	1,265,000	1,265,000	1,153,594	(111,406)	1,158,975	1,158,975
Harvard University	1,067,000	1,067,000	1,076,154	9,154	989,312	989,312
Suffolk University	45,500	45,500	44,968	(532)	45,248	45,248

Exhibit A-3 (continued)

GENERAL FUND

Schedule of Revenues and Other Financing Sources Compared to Budget (Budgetary Basis)

Year Ended June 30, 1994

(with comparative actual amounts for 1993)

Classification	1994				1993 Actual
	Original Budget	Final Budget	Actual	Variance	
				Favorable (Unfavorable)	
Simmons College	15,000	15,000	-	(15,000)	15,000
Northeastern University	105,570	105,570	105,571	1	105,571
New England Nursing Home	56,000	56,000	56,000	-	56,000
New England School of Law	13,125	13,125	13,125	-	13,125
Brigham and Women's Hospital	494,806	494,806	494,806	-	494,806
Tufts University	15,000	15,000	15,216	216	14,479
Section 2C	41,000	41,000	3,987	(37,013)	1,154,200
University Hospital	46,600	46,600	23,300	(23,300)	59,426
Museum of Fine Arts	42,000	42,000	39,728	(2,272)	-
Showa	72,000	72,000	71,534	(466)	-
Wenworth Institute	2,000	2,000	1,738	(262)	-
Emerson College	18,250	18,250	9,132	(9,118)	-
Spaulding Rehabilitation Hospital	45,000	45,000	49,974	4,974	-
Masco	58,500	58,500	58,688	188	-
Beth Isreal Hospital	125,000	125,000	125,000	-	-
Massachusetts Mental Health Program	18,000	18,000	15,913	(2,087)	-
E.O.C.D.	11,250	11,250	5,496	(5,754)	-
Bay Cove Human Services	10,000	10,000	9,978	(22)	-
Domicilia	10,600	10,600	10,601	1	-
David Ramsey V.F.W.	299	299	299	-	-
Wang	19,000	19,000	-	(19,000)	382,187
Revenue class total	19,319,039	20,422,129	21,189,565	767,436	21,474,233

GENERAL FUND

Schedule of Revenues and Other Financing Sources Compared to Budget (Budgetary Basis)

Year Ended June 30, 1994

(with comparative actual amounts for 1993)

Classification	1994				1993 Actual
	Original Budget	Final Budget	Actual	Variance	
				Favorable (Unfavorable)	
INVESTMENT INCOME					
Interest on Investments	5,600,000	10,386,142	10,616,623	230,481	8,507,281
Revenue class total	5,600,000	10,386,142	10,616,623	230,481	8,507,281
LICENSES AND PERMITS					
Building Structures and Permits	7,300,000	7,300,000	8,980,877	1,680,877	8,832,324
Weights and Measures	150,000	150,000	169,272	19,272	148,416
Street and Curb Permits	1,150,000	1,150,000	1,127,700	(22,300)	1,019,634
Health Inspections	850,000	850,000	961,356	111,356	880,541
Alcoholic Beverages Licenses	2,150,000	2,150,000	2,169,694	19,694	2,136,600
Entertainment Licenses	425,000	425,000	460,609	35,609	433,730
Police and Protective Permits	380,000	380,000	420,886	40,886	473,013
Professional & Occupational Licenses	100,000	100,000	96,185	(3,815)	97,805
Other Business Licenses and Permits	750,000	750,000	805,928	55,928	786,070
Cable Television	1,550,000	1,550,000	1,556,272	6,272	1,443,112
Burial Permits	80,000	80,000	89,885	9,885	101,450
Revenue class total	14,885,000	14,885,000	16,838,663	1,953,663	16,352,695
SALE OF PROPERTY					
Sale of City Property	7,624,260	9,821,052	500,000	(9,321,052)	2,264,844
Revenue class total	7,624,260	9,821,052	500,000	(9,321,052)	2,264,844

Exhibit A-3 (continued)

GENERAL FUND

Schedule of Revenues and Other Financing Sources Compared to Budget (Budgetary Basis)

Year Ended June 30, 1994

(with comparative actual amounts for 1993)

Classification	1994				1993 Actual
	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)	
TRANSFERS FROM OTHER FUNDS					
Appropriated Cemetery Trustee	600,000	600,000	600,000	-	1,418,076
Appropriated Parking Meter Receipts	9,000,000	9,000,000	9,000,000	-	9,000,000
Other Available Funds	176,508	512,323	467,324	(44,999)	197,871
Revenue class total	9,776,508	10,112,323	10,067,324	(44,999)	10,615,947
Total Revenues and Other Financing Sources	\$ 1,348,622,007	\$ 1,359,893,944	\$ 1,366,220,226	\$ 6,326,281	\$ 1,305,037,139

GENERAL FUND

Schedule of Expenditures, Encumbrances and Other Financing Uses Compared to Budget (Budgetary Basis)

Year Ended June 30, 1994

(with comparative actual amounts for 1993)

	1994				Variance Favorable (Unfavorable)	1993 Actual
	Original Budget	Final Budget	Actual			
GENERAL GOVERNMENT						
Mayor's Office	\$ 842,500	\$ 1,117,500	\$ 1,117,325	\$ 175	\$ 769,766	
City Council	2,470,670	2,470,670	2,383,259	87,411	2,346,869	
Consumer Affairs and Licensing	290,700	300,700	244,066	56,634	252,578	
Office of Safe Neighborhoods	315,300	325,300	324,601	699	280,064	
Election Department – Election Division	2,192,000	2,515,436	2,501,300	14,136	2,324,693	
Election Department – Listing Board	200,000	566,564	564,455	2,109	356,987	
Auditing Department	1,314,100	1,314,100	1,285,296	28,804	1,256,683	
Assessing Department	4,724,000	4,724,000	4,617,512	106,488	4,711,037	
Treasury Department – Collecting Division	2,276,000	2,276,000	2,233,479	42,521	2,136,087	
Treasury Department – Treasury Division	958,400	1,058,400	968,898	89,502	941,096	
Budget/Program Evaluation	1,802,800	2,102,800	2,075,092	27,708	1,643,814	
Personnel Management	1,046,400	1,086,400	1,058,863	27,537	1,037,857	
Purchasing Division	825,800	825,800	755,267	70,533	801,083	
Printing Division	1,274,400	1,274,400	1,251,398	23,002	1,303,027	
Labor Relations	400,100	430,100	410,337	19,763	352,403	
Management Information System	5,574,500	5,574,500	5,406,188	168,312	5,638,919	
Intergovernmental Relations	653,300	658,800	643,412	15,388	646,392	
Law Department	3,118,100	3,118,100	3,022,185	95,915	3,115,222	
Major Vendor Clearing Account	–	–	72,142	(72,142)	150,555	
SPO Intelopath Centrex	–	–	21,915	(21,915)	17,264	
Workers' Compensation Division	368,800	403,800	315,063	88,737	376,221	
Minority/Womens Business	211,600	369,680	348,163	21,517	198,043	
City Clerk	557,600	557,600	550,283	7,317	544,745	

Exhibit A-4 (continued)

GENERAL FUND

Schedule of Expenditures, Encumbrances and Other Financing Uses Compared to Budget (Budgetary Basis)

Year Ended June 30, 1994

(with comparative actual amounts for 1993)

	1994				1993
	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)	Actual
Registry Division	621,600	621,600	591,509	30,091	608,053
Management Fund	210,000	210,000	210,000	-	220,000
Finance Commission	127,900	127,900	127,900	-	125,450
Transportation Central Artery Tunnel	2,228,400	2,228,400	1,503,504	724,896	1,277,944
Boards and Commissions	888,100	898,100	858,141	39,959	711,878
Office of Civil Rights	215,200	215,200	176,760	38,440	207,027
Press Office	152,500	152,500	141,972	10,528	125,575
Neighborhood Services	897,900	897,900	856,555	41,345	848,107
Business and Cultural Development	723,800	968,800	922,134	46,666	861,086
Costs of Issuance - RANS	500,000	500,000	289,383	210,617	320,592
Annual Audit Costs	600,000	600,000	590,608	9,392	522,210
Function Total	38,582,470	40,491,050	38,438,962	2,052,088	37,029,325
HUMAN SERVICES					
Rent Equity Board	1,160,200	1,200,200	1,193,704	6,496	1,129,079
Elderly Commission	1,741,600	1,741,600	1,693,875	47,725	1,556,454
Veterans Services Department	2,413,100	2,413,100	2,412,779	321	2,254,349
Function Total	5,314,900	5,354,900	5,300,358	54,542	4,939,882
PUBLIC SAFETY					
Police Department	131,810,000	137,206,034	139,256,542	(2,050,508)	127,540,732
Fire Department	83,833,000	87,852,202	87,736,576	115,626	83,004,476
Transportation - Traffic Division	14,238,500	14,128,500	13,850,955	277,545	14,189,582
Transportation - Parking Clerk	7,083,500	7,193,500	7,115,615	77,885	7,348,607

GENERAL FUND

Year Ended June 30, 1994
(with comparative actual amounts for 1993)

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Exhibit A - 4 (continued)

GENERAL FUND

Schedule of Expenditures, Encumbrances and Other Financing Uses Compared to Budget (Budgetary Basis)
 Year Ended June 30, 1994
 (with comparative actual amounts for 1993)

		1994		Variance Favorable (Unfavorable)	1993 Actual
		Original Budget	Final Budget		
LIBRARY					
Library Department		18,926,303	21,478,750	3,836	20,998,404
Function Total		18,926,303	21,478,750	3,836	20,998,404
SCHOOLS					
General School Purposes		401,852,068	408,098,158	18,849	373,982,804
Function Total		401,852,068	408,098,158	18,849	373,982,804
HEALTH AND HOSPITALS					
Health and Hospitals Department		197,163,000	197,163,000	3,057,243	182,765,321
Function Total		197,163,000	197,163,000	3,057,243	182,765,321
COUNTY					
Registry of Deeds		1,527,800	1,527,800	9,659	1,505,275
Suffolk County Jail		8,938,038	8,938,038	4,526	4,438,038
Penal Department		-	-	-	4,500,000
Function Total		10,465,838	10,465,838	14,185	10,443,313
JUDGMENTS AND CLAIMS					
Execution of Courts		7,500,000	7,500,000	(2,189,184)	7,976,337
Function Total		7,500,000	7,500,000	(2,189,184)	7,976,337

GENERAL FUND

Schedule of Expenditures, Encumbrances and Other Financing Uses Compared to Budget (Budgetary Basis)
 Year Ended June 30, 1994
 (with comparative actual amounts for 1993)

	1994				1993 Actual
	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)	
OTHER EMPLOYEE BENEFITS					
Medicare Payments	1,550,000	1,550,000	1,185,706	364,294	1,342,461
Health Benefits and Insurance	71,788,600	66,455,020	66,376,131	78,889	63,022,726
Retirement Board	1,081,200	1,081,200	1,081,200	—	1,076,634
Workers' Compensation Fund	3,200,000	3,200,000	4,261,721	(1,061,721)	3,818,663
Function Total	77,619,800	72,286,220	72,904,758	(618,538)	69,260,484
PENSION COSTS					
Unemployment Compensation	50,000	50,000	588	49,412	(286)
Pensions and Annuities – City	7,200,000	7,200,000	7,200,000	—	7,369,559
Pensions and Annuities – County	600,000	600,000	520,592	79,408	592,831
State – Boston Retirement System	100,528,948	98,959,712	98,889,891	69,821	112,011,587
Function Total	108,378,948	106,809,712	106,611,071	198,641	119,973,690
STATE & DISTRICT ASSESSMENTS					
State Exam of Retirement	245,861	245,861	245,860	1	233,764
Health Insurance/Retirement	717,216	717,216	961,944	(244,728)	893,976
Motor Vehicle Excise Tax Bill	—	—	907,530	(907,530)	—
Parking Surcharge	2,587,730	2,587,730	2,587,732	(2)	1,813,160
Mosquito Control Projects	131,619	131,619	162,074	(30,455)	131,371
Special Education Chapter 766	200,374	200,374	362,879	(162,505)	349,258
Suffolk County Extension Service	3,863	3,863	3,863	—	3,863
Metropolitan Air Pollution Center	112,933	112,933	112,932	1	114,135
Metropolitan Area Planning	122,062	122,062	122,062	—	119,085

Exhibit A-4 (continued)

GENERAL FUND

Schedule of Expenditures, Encumbrances and Other Financing Uses Compared to Budget (Budgetary Basis)

Year Ended June 30, 1994

(with comparative actual amounts for 1993)

	1994				1993 Actual
	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)	
M.B.T.A. Assessments	52,845,814	52,845,814	52,794,889	50,925	51,493,795
M.D.C. Assessments	10,488	10,488	10,488	-	10,848
Function Total	56,977,960	56,977,960	58,272,253	(1,294,293)	55,163,255
DEBT REQUIREMENTS					
Redemption of City Loans	52,890,000	52,890,000	52,890,000	-	51,955,000
City Debt and Interest Payments	35,621,520	35,412,920	34,061,988	1,350,932	37,113,906
Interest on Temporary Loans	3,000,000	-	-	-	-
Function Total	91,511,520	88,302,920	86,951,988	1,350,932	89,068,906
Total Expenditures	\$ 1,348,622,007	\$ 1,359,893,944	\$ 1,364,656,588	\$ (4,762,644)	\$ 1,302,494,794

SPECIAL REVENUE FUNDS

Special revenue funds are used to account for the proceeds of specific revenue sources, other than debt service, trust funds or capital projects, that are legally restricted for specific purposes.

City Fund accounts for a number of small federal and state grants administered by the City's individual departments. These funds provide additional support to department programs.

Revolving Loans Fund accounts for funds that are set aside, generally by state statute, that are used to support the City's general fund operations. These funds are directly linked to a specific activity and are available without further City Council appropriation.

Boston Public Schools accounts for funds provided by the U.S. Department of Education and the Commonwealth's Department of Education for the Boston Public Schools. These funds directly support a number of educational programs for the City's residents.

Boston Public Library accounts for funds provided by Federal and State grant programs for the Boston Public Libraries. These funds support a number of library programs and initiatives.

Community Development Block Grants are funds from the U.S. Department of Housing and Urban Development (HUD) through the Community Development Block Grant program. These funds are used to support eligible community development and social programs.

Home Bill Program are funds used to support housing, commercial development and social service programs in City neighborhoods.

Urban Development Action Grants are funds provided through HUD's Urban Development Action Grant (UDAG) program. These grants are used for various residential, commercial, and industrial projects within the City.

Neighborhood Development Fund accounts for loan repayments from UDAG. These funds are used for Title I eligible activities in the City's neighborhoods.

Building Loan Program are short term loans for eligible activities provided through the CDBG's program's unexpended balances.

Housing Development Action Grants are funds provided through HUD's Housing Development Action Grant (HODAG). Funds are targeted for low and moderate income family housing needs.

HUD Grant Fund accounts for funds primarily used to list HUD and city-assisted housing units.

Neighborhood Research accounts for funds that the City may receive for neighborhood planning and assistance.

Boston Redevelopment Authority accounts for funds provided by CDBG, UDAG and NDF. The Authority was created for the general purpose of planning, coordinating and assisting in the revitalization and development of the Boston area.

Exhibit B-1

SPECIAL REVENUE FUNDS

Combining Balance Sheet

June 30, 1994

(with comparative totals for 1993)

	<u>City Fund</u>	<u>Revolving Loans Fund</u>	<u>Boston Public Schools</u>
ASSETS			
Cash and investments	\$ 8,209,012	\$ 47,665,116	\$ -
Restricted cash and investments	-	-	-
Receivables (net, where applicable, of allowance for estimated uncollectible amounts):			
Intergovernmental	1,825,650	115,623	12,676,213
Departmental and other	299,485	795,453	68,761
Total receivables	<u>2,125,135</u>	<u>911,076</u>	<u>12,744,974</u>
Due from other funds	-	-	-
Other assets	-	-	-
Total assets	\$ <u>10,334,147</u>	\$ <u>48,576,192</u>	\$ <u>12,744,974</u>
LIABILITIES AND FUND BALANCES			
Liabilities:			
Warrants and accounts payable	\$ 348,605	\$ 2,518,740	\$ 4,924,182
Accrued liabilities:			
Other	-	23,828,894	-
Due to other funds	3,646,833	-	3,106,339
Deferred revenue	-	-	-
Total liabilities	<u>3,995,438</u>	<u>26,347,634</u>	<u>8,030,521</u>
Fund balances and other credits:			
Reserved for:			
Encumbrances and continuing appropriations	2,467,726	2,189,265	1,930,433
Unreserved:			
Designated for specific expenditures	-	-	-
Undesignated	3,870,983	20,039,293	2,784,020
Total fund balance	<u>6,338,709</u>	<u>22,228,558</u>	<u>4,714,453</u>
Total liabilities and fund balance	\$ <u>10,334,147</u>	\$ <u>48,576,192</u>	\$ <u>12,744,974</u>

<u>Boston Public Library</u>	<u>Community Development Block Grant</u>	<u>Home Bill Program</u>	<u>Urban Development Action Grant</u>	<u>Neighborhood Development</u>
\$ 1,718,300	\$ 3,468,341	\$ 133,366	\$ 453,935	\$ 15,028,923
-	-	-	-	19,957,842
-	512,445	947,225	-	-
-	15,327	-	-	-
-	<u>527,772</u>	<u>947,225</u>	<u>-</u>	<u>-</u>
-	7,731,190	-	-	-
-	-	-	-	-
<u>\$ 1,718,300</u>	<u>\$ 11,727,303</u>	<u>\$ 1,080,591</u>	<u>\$ 453,935</u>	<u>\$ 34,986,765</u>
\$ 382,459	\$ 1,951,433	\$ 692,080	\$ -	\$ 211,749
-	-	-	-	-
671,733	496,739	-	-	-
-	3,110,944	-	-	-
<u>1,054,192</u>	<u>5,559,116</u>	<u>692,080</u>	<u>-</u>	<u>211,749</u>
-	17,216,764	4,903,721	746,151	1,140,452
268,100	-	-	-	-
396,008	(11,048,577)	(4,515,210)	(292,216)	33,634,564
<u>664,108</u>	<u>6,168,187</u>	<u>388,511</u>	<u>453,935</u>	<u>34,775,016</u>
<u>\$ 1,718,300</u>	<u>\$ 11,727,303</u>	<u>\$ 1,080,591</u>	<u>\$ 453,935</u>	<u>\$ 34,986,765</u>

(continued)

Exhibit B-1 (continued)

SPECIAL REVENUE FUNDS

Combining Balance Sheet

June 30, 1994

(with comparative totals for 1993)

	<u>Building Loan Program</u>	<u>Housing Development Action Grants</u>	<u>HUD Grants</u>
ASSETS			
Cash and investments	\$ -	\$ -	\$ -
Restricted cash and investments	-	-	-
Receivables (net, where applicable, of allowance for estimated uncollectible amounts):			
Intergovernmental	147,115	-	272,998
Departmental and other	-	-	-
Total receivables	<u>147,115</u>	<u>-</u>	<u>272,998</u>
Due from other funds	-	-	1,866
Other assets	-	-	-
Total assets	\$ <u>147,115</u>	\$ <u>-</u>	\$ <u>274,864</u>
LIABILITIES AND FUND BALANCES			
Liabilities:			
Warrants and accounts payable	\$ -	\$ -	\$ 172,558
Accrued liabilities:			
Other	-	-	-
Due to other funds	7,543,339	96,608	111,326
Deferred revenue	-	-	-
Total liabilities	<u>7,543,339</u>	<u>96,608</u>	<u>283,884</u>
Fund balances and other credits:			
Reserved for:			
Encumbrances and continuing appropriations	-	-	1,782,511
Unreserved:			
Designated for specific expenditures	-	-	-
Undesignated	(7,396,224)	(96,608)	(1,791,531)
Total fund balance	<u>(7,396,224)</u>	<u>(96,608)</u>	<u>(9,020)</u>
Total liabilities and fund balance	\$ <u>147,115</u>	\$ <u>-</u>	\$ <u>274,864</u>

City of Boston, Massachusetts

Neighborhood Research	Boston Redevelopment Authority	Totals	
		1994	1993
\$ 276,446	\$ 1,804,307	\$ 78,757,746	\$ 53,139,393
-	-	19,957,842	-
-	-	16,497,269	18,751,917
-	57,004	1,236,030	3,618,973
-	57,004	17,733,299	22,370,890
-	2,130,913	9,863,969	2,255,550
-	125,615	125,615	113,856
\$ 276,446	\$ 4,117,839	\$ 126,438,471	\$ 77,879,689
\$ -	\$ 2,172,760	\$ 13,374,566	\$ 6,984,763
-	18,251	23,847,145	19,698,250
-	372,577	16,045,494	484,595
-	-	3,110,944	2,305,302
-	2,563,588	56,378,149	29,472,910
-	-	32,377,023	26,786,306
-	1,554,251	1,822,351	1,713,606
276,446	-	35,860,948	19,906,867
276,446	1,554,251	70,060,322	48,406,779
\$ 276,446	\$ 4,117,839	\$ 126,438,471	\$ 77,879,689

Exhibit B-2

SPECIAL REVENUE FUNDS

Combining Statement of Revenues, Expenditures, and Changes in Fund Balance
Year Ended June 30, 1994
(with comparative totals for 1993)

	<u>City Fund</u>	<u>Revolving Loans Fund</u>	<u>Boston Public Schools</u>
REVENUES:			
Local:			
Investment income	\$ —	\$ —	\$ —
Departmental and other revenue	—	7,666,029	259,173
Total local revenues	<u>—</u>	<u>7,666,029</u>	<u>259,173</u>
Intergovernmental:			
Federal	6,917,321	464,865	58,132,978
Commonwealth of Massachusetts	47,041,104	3,706,129	8,456,885
Total intergovernmental revenues	<u>53,958,425</u>	<u>4,170,994</u>	<u>66,589,863</u>
Total revenues	<u>53,958,425</u>	<u>11,837,023</u>	<u>66,849,036</u>
EXPENDITURES:			
Current operations:			
General government	1,262,842	1,133,309	—
Human services	1,119,206	5,200	—
Public safety	1,921,653	9,925,510	—
Public works	143,360	—	—
Parks and recreation	2,017,656	714,771	—
Library	—	1,045,167	—
Schools	—	481,221	62,678,730
County	41,439,445	2,062,090	—
Community development	3,951,890	332,291	—
Capital outlays	1,237,040	—	2,893,533
Debt service	—	—	—
Total expenditures	<u>53,093,092</u>	<u>15,699,559</u>	<u>65,572,263</u>
Excess (deficiency) of revenues over expenditures	<u>865,333</u>	<u>(3,862,536)</u>	<u>1,276,773</u>
OTHER FINANCING SOURCES (USES):			
Proceeds of debt	—	—	—
Operating transfers in (out), net	—	(406,270)	—
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	865,333	(4,268,806)	1,276,773
Fund balance (deficit), beginning of year	5,473,376	26,497,364	3,437,680
Adjustments to beginning fund balance	—	—	—
Fund balance (deficit), end of year	\$ <u>6,338,709</u>	\$ <u>22,228,558</u>	\$ <u>4,714,453</u>

City of Boston, Massachusetts

<u>Boston Public Library</u>	<u>Community Development Block Grant</u>	<u>Home Bill Program</u>	<u>Urban Development Action Grant</u>	<u>Neighborhood Development</u>
\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-
-	-	-	-	-
197,335	25,315,170	4,109,918	15,000	4,598,544
9,237,346	-	-	-	-
9,434,681	25,315,170	4,109,918	15,000	4,598,544
9,434,681	25,315,170	4,109,918	15,000	4,598,544
-	124,915	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
9,382,260	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	25,050,716	2,859,732	15,000	3,245,585
-	4,193,578	-	-	-
-	-	-	-	107,726
9,382,260	29,369,209	2,859,732	15,000	3,353,311
52,421	(4,054,039)	1,250,186	-	1,245,233
-	-	-	-	20,000,000
-	(4,714,225)	-	-	-
52,421	(8,768,264)	1,250,186	-	21,245,233
-	14,936,451	(861,675)	453,935	13,529,783
611,687	-	-	-	-
\$ 664,108	\$ 6,168,187	\$ 388,511	\$ 453,935	\$ 34,775,016

(continued)

Exhibit B-2 (continued)

SPECIAL REVENUE FUNDS

Combining Statement of Revenues, Expenditures, and Changes in Fund Balance

Year Ended June 30, 1994

(with comparative totals for 1993)

	Building Loan Program	Housing Development Action Grants	HUD Grants
REVENUES:			
Local:			
Investment income	\$ -	\$ -	\$ -
Departmental and other revenue	-	-	-
Total local revenues	-	-	-
Intergovernmental:			
Federal	4,862,650	-	478,749
Commonwealth of Massachusetts	-	-	-
Total intergovernmental revenues	4,862,650	-	478,749
Total revenues	4,862,650	-	478,749
EXPENDITURES:			
Current operations:			
General government	-	-	-
Human services	-	-	-
Public safety	-	-	-
Public works	-	-	-
Parks and recreation	-	-	-
Library	-	-	-
Schools	-	-	-
County	-	-	-
Community development	-	-	487,769
Capital outlays	-	-	-
Debt service	-	-	-
Total expenditures	-	-	487,769
Excess (deficiency) of revenues over expenditures	4,862,650	-	(9,020)
OTHER FINANCING SOURCES (USES):			
Proceeds of debt	-	-	-
Operating transfers in (out), net	4,714,225	-	-
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	9,576,875	-	(9,020)
Fund balance (deficit), beginning of year	(16,973,099)	(96,608)	-
Adjustments to beginning fund balance	-	-	-
Fund balance (deficit), end of year	\$ (7,396,224)	\$ (96,608)	\$ (9,020)

Neighborhood Research	Boston Redevelopment Authority	Totals	
		1994	1993
\$ -	\$ 70,042	\$ 70,042	\$ -
-	67,027	7,992,229	20,970,492
-	137,069	8,062,271	20,970,492
-	-	105,092,530	88,820,804
-	-	68,441,464	63,908,438
-	-	173,533,994	152,729,242
-	137,069	181,596,265	173,699,734
-	254,000	2,775,066	2,980,942
-	-	1,124,406	973,307
-	-	11,847,163	10,996,188
-	-	143,360	201,062
-	-	2,732,427	2,221,803
-	-	10,427,427	1,090,337
-	-	63,159,951	73,843,738
-	-	43,501,535	40,724,954
-	-	35,942,983	36,637,988
-	-	8,324,151	7,089,253
-	-	107,726	-
-	254,000	180,086,195	176,759,572
-	(116,931)	1,510,070	(3,059,838)
-	-	20,000,000	-
-	(61,944)	(468,214)	(1,886,723)
-	(178,875)	21,041,856	(4,946,561)
276,446	1,733,126	48,406,779	53,353,340
-	-	611,687	-
\$ 276,446	\$ 1,554,251	\$ 70,060,322	\$ 48,406,779



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DEBT SERVICE FUND

The debt service fund is used to account for the accumulation of resources for, and the payment of, general long-term debt principal, interest and related costs.

Exhibit C-1

DEBT SERVICE FUND
Comparative Balance Sheets
June 30, 1994 and 1993

	<u>1994</u>	<u>1993</u>
ASSETS		
Restricted cash and investments	\$ 444,614	\$ 4,680,716
Due from other funds	1,022,063	1,635,725
Total assets	\$ <u>1,466,677</u>	\$ <u>6,316,441</u>
LIABILITIES AND FUND BALANCES		
Liabilities:		
Matured interest and bonds payable	\$ 1,022,063	\$ 1,635,725
Total liabilities	<u>1,022,063</u>	<u>1,635,725</u>
Fund balances and other credits:		
Reserved for:		
Debt service	444,614	4,680,716
Total fund balance	<u>444,614</u>	<u>4,680,716</u>
Total liabilities and fund balance	\$ <u>1,466,677</u>	\$ <u>6,316,441</u>

Exhibit C-2

DEBT SERVICE FUND

Comparative Statements of Revenues, Expenditures and Changes in Fund Balance

Year Ended June 30, 1994 and 1993

	<u>1994</u>	<u>1993</u>
REVENUES:		
Local:		
Investment income	13,898	12,890
Total local revenues	<u>13,898</u>	<u>12,890</u>
Intergovernmental:		
Other	423,481	594,099
Total intergovernmental revenues	<u>423,481</u>	<u>594,099</u>
Total revenues	<u>437,379</u>	<u>606,989</u>
EXPENDITURES:		
Debt service	89,270,672	88,047,715
Total expenditures	<u>89,270,672</u>	<u>88,047,715</u>
Excess (deficiency) of revenues over expenditures	<u>(88,833,293)</u>	<u>(87,440,726)</u>
OTHER FINANCING SOURCES:		
Operating transfers in, net	84,597,191	86,173,241
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	(4,236,102)	(1,267,485)
Fund balance, beginning of year	4,680,716	5,948,201
Fund balance, end of year	<u>\$ 444,614</u>	<u>\$ 4,680,716</u>



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CAPITAL PROJECT FUNDS

These funds are used to account for financial resources to be used for the acquisition or construction of major capital facilities. Such resources are derived principally from proceeds of general obligation bonds and from federal and state grants.

Departmental Equipment accounts for capital equipment provided to all City departments ranging from computer hardware to fire trucks and snow plows.

School Projects accounts for the construction, renovation and repairs to all school buildings.

Public Buildings accounts for the construction, renovation and repairs to all City-owned buildings.

Sale of City Property accounts for proceeds derived from the sale of City-owned properties.

Hospital Department accounts for the construction, renovation and repairs to Boston City Hospital.

Urban and Economic Development accounts for the construction, renovation and rehabilitation to buildings and structures approved by the City's planning board.

Parks and Recreation accounts for the construction and repair of park areas throughout the City.

Parking Facilities accounts for the construction and repair of City-owned parking facilities throughout the City.

Public Works accounts for the construction, maintenance and repair of public work projects such as bridges, street lighting, sidewalks, water mains and sewer drainage.

Chapter 90 Public Ways accounts for the design, engineering, construction and reconstruction of major roadways, streets and sidewalks.

Trust Funds account for funds authorized for specific capital purposes as designated by each trust.

Bond Refunding accounts for funds received from the refunding of bond debt.

Other account for other miscellaneous expenditures for various projects.

Boston Redevelopment Authority is the City's general planning agency and administers funds designated for the redevelopment of the City's downtown area and inner-city neighborhoods.

Exhibit D-1

CAPITAL PROJECTS FUNDS

Combining Balance Sheet

June 30, 1994

(with comparative totals for 1993)

	<u>Departmental Equipment</u>	<u>School Projects</u>	<u>Public Buildings</u>
ASSETS			
Cash and investments	\$ 3,925,946	\$ 6,974,627	\$ 12,736,153
Restricted cash and investments	-	-	-
Receivables (net, where applicable, of allowance for estimated uncollectible amounts):			
Intergovernmental	-	-	-
Departmental and other	-	-	-
Total receivables	-	-	-
Due from other funds	-	-	1,829,794
Other assets	-	-	-
Total assets	<u>\$ 3,925,946</u>	<u>\$ 6,974,627</u>	<u>\$ 14,565,947</u>
LIABILITIES AND FUND BALANCES			
Liabilities:			
Warrants and accounts payable	\$ 634,915	\$ 270,705	\$ 416,505
Accrued liabilities:			
Other	-	-	-
Due to other funds	-	165,685	545,476
Deferred revenue	-	-	-
Bonds, loans and notes payable	-	-	-
Total liabilities	<u>634,915</u>	<u>436,390</u>	<u>961,981</u>
Fund balances and other credits:			
Reserved for:			
Encumbrances and continuing appropriations	1,435,009	8,754,678	17,922,169
Unreserved:			
Undesignated	1,856,022	(2,216,441)	(4,318,203)
Total fund balance	<u>3,291,031</u>	<u>6,538,237</u>	<u>13,603,966</u>
Total liabilities and fund balance	<u>\$ 3,925,946</u>	<u>\$ 6,974,627</u>	<u>\$ 14,565,947</u>

<u>Sale of City Property</u>	<u>Hospital Department</u>	<u>Urban and Economic Development</u>	<u>Parks and Recreation</u>	<u>Parking Facilities</u>
\$ 32,471,287	\$ 1,660,429	\$ 3,463,742	\$ 1,308,232	\$ 488,955
-	-	-	-	-
-	-	-	69,399	-
-	-	-	-	-
-	-	-	69,399	-
-	-	-	-	-
-	-	-	-	-
<u>\$ 32,471,287</u>	<u>\$ 1,660,429</u>	<u>\$ 3,463,742</u>	<u>\$ 1,377,631</u>	<u>\$ 488,955</u>
\$ -	\$ 41,286	\$ 49,398	\$ 75,751	\$ -
-	-	-	-	-
-	49,350	-	120,456	-
-	-	-	-	-
-	-	-	-	-
<u>-</u>	<u>90,636</u>	<u>49,398</u>	<u>196,207</u>	<u>-</u>
32,371,287	259,990	2,591,921	3,238,406	-
100,000	1,309,803	822,423	(2,056,982)	488,955
<u>32,471,287</u>	<u>1,569,793</u>	<u>3,414,344</u>	<u>1,181,424</u>	<u>488,955</u>
<u>\$ 32,471,287</u>	<u>\$ 1,660,429</u>	<u>\$ 3,463,742</u>	<u>\$ 1,377,631</u>	<u>\$ 488,955</u>

(continued)

Exhibit D-1 (continued)

CAPITAL PROJECTS FUNDS

Combining Balance Sheet

June 30, 1994

(with comparative totals for 1993)

	Public Works	Chapter 90 Public Ways	Trust Funds
ASSETS			
Cash and investments	\$ 8,966,378	\$ —	\$ —
Restricted cash and investments	—	—	—
Receivables (net, where applicable, of allowance for estimated uncollectible amounts):			
Intergovernmental	—	474,395	—
Departmental and other	—	—	—
Total receivables	—	474,395	—
Due from other funds	—	—	—
Other assets	—	—	—
Total assets	\$ 8,966,378	\$ 474,395	\$ —
LIABILITIES AND FUND BALANCES			
Liabilities:			
Warrants and accounts payable	\$ 661,122	\$ 110,213	\$ 135,918
Accrued liabilities:			
Other	—	—	—
Due to other funds	517,806	1,719,332	110,462
Deferred revenue	—	—	—
Bonds, loans and notes payable	—	—	—
Total liabilities	1,178,928	1,829,545	246,380
Fund balances and other credits:			
Reserved for:			
Encumbrances and continuing appropriations	17,579,595	7,992,269	777,931
Unreserved:			
Undesignated	(9,792,145)	(9,347,419)	(1,024,311)
Total fund balance	7,787,450	(1,355,150)	(246,380)
Total liabilities and fund balance	\$ 8,966,378	\$ 474,395	\$ —

<u>Bond Refunding</u>	<u>Other</u>	<u>Boston Redevelopment Authority</u>	<u>Totals</u>	
			<u>1994</u>	<u>1993</u>
\$ 135,003	\$ —	\$ 1,899,532	\$ 74,030,284	\$ 67,280,264
—	2,172,797	—	2,172,797	7,967,819
—	—	1,475,299	2,019,093	16,184,700
—	—	21,529,457	21,529,457	20,877,616
—	—	23,004,756	23,548,550	37,062,316
—	—	—	1,829,794	—
—	—	11,400,416	11,400,416	9,900,000
<u>\$ 135,003</u>	<u>\$ 2,172,797</u>	<u>\$ 36,304,704</u>	<u>\$ 112,981,841</u>	<u>\$ 122,210,399</u>
\$ —	\$ 267,195	\$ —	\$ 2,663,008	\$ 5,855,932
—	—	11,843,785	11,843,785	5,881,446
—	—	1,610,040	4,838,607	2,837,426
—	—	18,800,998	18,800,998	17,685,098
—	—	11,375,000	11,375,000	9,900,000
—	267,195	43,629,823	49,521,398	42,159,902
50,100	—	—	92,973,355	80,050,497
84,903	1,905,602	(7,325,119)	(29,512,912)	—
<u>135,003</u>	<u>1,905,602</u>	<u>(7,325,119)</u>	<u>63,460,443</u>	<u>80,050,497</u>
<u>\$ 135,003</u>	<u>\$ 2,172,797</u>	<u>\$ 36,304,704</u>	<u>\$ 112,981,841</u>	<u>\$ 122,210,399</u>

Exhibit D-2

CAPITAL PROJECTS FUNDS

Combining Statement of Revenues, Expenditures, and Changes in Fund Balance
Year Ended June 30, 1994
(with comparative totals for 1993)

	<u>Departmental Equipment</u>	<u>School Projects</u>	<u>Public Buildings</u>
REVENUES:			
Local:			
Investment income	\$ -	\$ -	\$ -
Departmental and other	-	-	-
Total local revenues	<u>-</u>	<u>-</u>	<u>-</u>
Intergovernmental:			
Federal	-	-	-
Commonwealth of Massachusetts	-	-	-
Total intergovernmental revenues	<u>-</u>	<u>-</u>	<u>-</u>
Total revenues	<u>-</u>	<u>-</u>	<u>-</u>
EXPENDITURES:			
Judgments and claims	-	-	-
Retirement costs	-	-	-
Capital outlays	3,754,295	11,156,638	15,498,005
Debt service	49,672	185,610	203,483
Total expenditures	<u>3,803,967</u>	<u>11,342,248</u>	<u>15,701,488</u>
Excess (deficiency) of revenues over expenditures	<u>(3,803,967)</u>	<u>(11,342,248)</u>	<u>(15,701,488)</u>
OTHER FINANCING SOURCES (USES):			
Proceeds from refunding bonds	-	-	-
Proceeds of debt and capital leases	4,990,000	7,495,000	9,060,000
Payment to escrow agent for refunded debt	-	-	-
Operating transfers in (out), net	<u>(2,002,645)</u>	<u>-</u>	<u>(113,926)</u>
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	(816,612)	(3,847,248)	(6,755,414)
Fund balance (deficit), beginning of year	<u>4,107,643</u>	<u>10,385,485</u>	<u>20,359,380</u>
Fund balance (deficit), end of year	\$ <u><u>3,291,031</u></u>	\$ <u><u>6,538,237</u></u>	\$ <u><u>13,603,966</u></u>

<u>Sale of City Property</u>	<u>Hospital Department</u>	<u>Urban and Economic Development</u>	<u>Parks and Recreation</u>	<u>Parking Facilities</u>
\$ -	\$ -	\$ -	\$ -	\$ -
-	-	142,596	-	-
-	-	142,596	-	-
-	-	-	302,241	-
-	-	-	-	-
-	-	-	302,241	-
-	-	142,596	302,241	-
-	-	-	-	-
-	-	-	-	-
-	7,838	6,911,596	5,690,452	-
-	10,529	124,038	91,184	-
-	18,367	7,035,634	5,781,636	-
-	(18,367)	(6,893,038)	(5,479,395)	-
-	-	-	-	-
-	360,000	8,490,000	3,975,000	-
-	-	-	-	-
-	(877,429)	-	-	-
-	(535,796)	1,596,962	(1,504,395)	-
32,471,287	2,105,589	1,817,382	2,685,819	488,955
\$ 32,471,287	\$ 1,569,793	\$ 3,414,344	\$ 1,181,424	\$ 488,955

(continued)

Exhibit D-2 (continued)

CAPITAL PROJECTS FUNDS

Combining Statement of Revenues, Expenditures, and Changes in Fund Balance

Year Ended June 30, 1994

(with comparative totals for 1993)

	Public Works	Chapter 90 Public Ways	Trust Funds
REVENUES:			
Local:			
Investment income	\$ -	\$ -	\$ -
Departmental and other	-	-	499,747
Total local revenues	-	-	499,747
Intergovernmental:			
Federal	-	-	-
Commonwealth of Massachusetts	-	3,638,106	-
Total intergovernmental revenues	-	3,638,106	-
Total revenues	-	3,638,106	499,747
EXPENDITURES:			
Judgments and claims	-	-	-
Retirement costs	-	-	-
Capital outlays	12,811,749	4,440,674	648,505
Debt service	275,824	-	-
Total expenditures	13,087,573	4,440,674	648,505
Excess (deficiency) of revenues over expenditures	(13,087,573)	(802,568)	(148,758)
OTHER FINANCING SOURCES (USES):			
Proceeds from refunding bonds	-	-	-
Proceeds of debt and capital leases	15,630,000	-	-
Payment to escrow agent for refunded debt	-	-	-
Operating transfers in (out), net	-	-	-
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	2,542,427	(802,568)	(148,758)
Fund balance (deficit), beginning of year	5,245,023	(552,582)	(97,622)
Fund balance (deficit), end of year	\$ 7,787,450	\$ (1,355,150)	\$ (246,380)

<u>Bond Refunding</u>	<u>Other</u>	<u>Boston Redevelopment Authority</u>	<u>Totals</u>	
			<u>1994</u>	<u>1993</u>
\$ -	-	\$ 37,722	\$ 37,722	\$ 730,943
-	-	7,864,606	8,506,949	11,202,810
-	-	7,902,328	8,544,671	11,933,753
-	-	7,117,936	7,420,177	1,986,750
-	-	-	3,638,106	25,380,597
-	-	7,117,936	11,058,283	27,367,347
-	-	15,020,264	19,602,954	39,301,100
-	-	-	-	630,826
-	-	1,472,799	1,472,799	1,514,291
-	6,966,829	20,934,528	88,821,109	91,859,902
1,100,729	360,275	-	2,401,344	3,265,163
1,100,729	7,327,104	22,407,327	92,695,252	97,270,182
(1,100,729)	(7,327,104)	(7,387,063)	(73,092,298)	(57,969,082)
85,900,000	-	-	85,900,000	92,305,000
-	8,240,000	-	58,240,000	5,785,000
(84,705,700)	-	-	(84,705,700)	(89,369,136)
-	-	61,944	(2,932,056)	(5,687,726)
93,571	912,896	(7,325,119)	(16,590,054)	(54,935,944)
41,432	992,706	-	80,050,497	134,986,441
\$ <u>135,003</u>	<u>1,905,602</u>	\$ <u>(7,325,119)</u>	\$ <u>63,460,443</u>	\$ <u>80,050,497</u>



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ENTERPRISE FUNDS

These funds are used to account for activities operated in a manner similar to private business enterprise or where periodic determination of revenues, expenses and net income is needed.

Department of Health and Hospitals is the principal provider in the City of acute care for the indigent and other government assisted patients. The Department is comprised of two hospitals, Boston City Hospital and Mattapan Hospital, and supports an extensive network of community health centers.

Trustees of Health and Hospitals is a nonprofit corporation established in 1965 by legislative enactment of the Commonwealth of Massachusetts. The Trustees' principal activities are the financial administration of numerous grants and contracts, community health programs and medical research, primarily under the sponsorship of federal, state and city agencies.

Economic Development Industrial Corporation is a quasi-public agency of the City of Boston and an instrumentality of the Commonwealth, whose purpose is to create and retain industrial companies and jobs through economic development, industrial real estate management, financing and job training.

Exhibit E-1

ENTERPRISE FUNDS

Combining Balance Sheet

June 30, 1994

(with comparative totals for 1993)

	<u>Department of Health & Hospitals</u>	<u>Trustees of Health & Hospitals</u>
ASSETS		
Cash and investments	\$ 2,945,684	\$ 2,958,000
Restricted cash and investments	65,423,041	-
Receivables (net, where applicable, of allowance for estimated uncollectible amounts):		
Intergovernmental	-	-
Third-party payors	13,636,055	-
Departmental and other	31,956,092	6,958,000
Total receivables	<u>45,592,147</u>	<u>6,958,000</u>
Inventories	1,041,321	-
Due from other funds	3,500,000	-
Other assets	2,074,962	-
Property, plant and equipment, net of accumulated depreciation	199,743,512	358,000
Total assets	\$ <u>320,320,667</u>	\$ <u>10,274,000</u>
LIABILITIES AND FUND EQUITY		
Liabilities:		
Warrants and accounts payable	\$ 13,353,071	\$ 8,004,000
Accrued liabilities:		
Judgments and claims	2,000,000	-
Sick and vacation	4,178,016	-
Retirement costs	22,322,943	-
Other	8,383,425	5,390,000
Intergovernmental	-	5,785,000
Due to other funds	2,775,927	3,500,000
Deferred revenue	15,583,547	-
Obligations under capital lease	3,258,938	-
Bonds and notes payable	184,604,292	-
Total liabilities	<u>256,460,159</u>	<u>22,679,000</u>
Fund equity:		
Contributed capital	157,049,856	-
Accumulated surplus (deficit)	(93,189,348)	(12,405,000)
Total fund equity	<u>63,860,508</u>	<u>(12,405,000)</u>
Total liabilities and fund equity	\$ <u>320,320,667</u>	\$ <u>10,274,000</u>

Economic Development Industrial Corporation	Totals	
	1994	1993
\$ 6,169,702	\$ 12,073,386	\$ 17,573,919
1,956,309	67,379,350	94,296,806
3,839,005	3,839,005	7,571,480
—	13,636,055	21,116,185
11,181,160	50,095,252	66,056,112
<u>15,020,165</u>	<u>67,570,312</u>	<u>94,743,777</u>
—	1,041,321	1,277,469
—	3,500,000	—
3,162,322	5,237,284	5,819,841
23,927,480	224,028,992	199,072,978
<u>\$ 50,235,978</u>	<u>\$ 380,830,645</u>	<u>\$ 412,784,790</u>
\$ 714,821	\$ 22,071,892	\$ 12,513,256
—	2,000,000	2,800,000
—	4,178,016	5,433,173
—	22,322,943	20,015,114
3,794,679	17,568,104	15,974,609
2,203,923	7,988,923	12,790,532
—	6,275,927	30,923,354
10,321,850	25,905,397	32,126,536
113,138	3,372,076	2,074,612
25,754,499	210,358,791	211,153,756
<u>42,902,910</u>	<u>322,042,069</u>	<u>345,804,942</u>
—	157,049,856	157,049,856
7,333,068	(98,261,280)	(90,070,008)
<u>7,333,068</u>	<u>58,788,576</u>	<u>66,979,848</u>
<u>\$ 50,235,978</u>	<u>\$ 380,830,645</u>	<u>\$ 412,784,790</u>

Exhibit E-2

ENTERPRISE FUNDS

Combining Statement of Revenues, Expenses and Changes in Fund Equity

Year Ended June 30, 1994

(with comparative totals for 1993)

	<u>Department of Health & Hospitals</u>	<u>Trustees of Health & Hospitals</u>
REVENUES:		
Net patient service revenue	\$ 201,011,132	\$ —
Programs	—	83,281,693
Rental income	—	—
Miscellaneous	22,924,865	—
Total operating revenues	<u>223,935,997</u>	<u>83,281,693</u>
EXPENSES:		
Salaries and wages	107,043,909	—
Professional fees	22,225,100	—
Administrative and general	25,341,357	4,386,974
Materials and supplies	21,161,832	—
Depreciation	11,636,936	—
Retirement costs	14,850,000	—
Bad debts	18,629,614	4,000,000
Subsidies for community services, special programs and real estate operations	<u>28,718,482</u>	<u>78,527,038</u>
Total operating expenses	<u>249,607,230</u>	<u>86,914,012</u>
Operating income (loss)	(25,671,233)	(3,632,319)
Nonoperating revenues and expenses:		
Grant income	—	—
Interest income	196,822	—
Interest expense	<u>(5,275,923)</u>	<u>—</u>
Income (loss) before operating transfers and extraordinary loss	(30,750,334)	(3,632,319)
Operating transfer in (out), net	<u>30,892,352</u>	<u>1,047,470</u>
Income (loss) before extraordinary loss	142,018	(2,584,849)
Extraordinary loss	<u>—</u>	<u>—</u>
Net income (loss)	142,018	(2,584,849)
Fund equity, beginning of year	63,718,490	(3,456,366)
Adjustments to beginning fund equity	<u>—</u>	<u>(6,363,785)</u>
Fund equity, at end of year	<u>\$ 63,860,508</u>	<u>\$ (12,405,000)</u>

Economic Development Industrial Corporation	Totals	
	1994	1993
\$ —	\$ 201,011,132	\$ 177,989,005
—	83,281,693	63,495,378
5,712,208	5,712,208	5,699,121
250,910	23,175,775	12,681,056
5,963,118	313,180,808	259,864,560
6,106,546	113,150,455	110,023,104
252,810	22,477,910	19,560,653
1,648,036	31,376,367	37,047,454
51,025	21,212,857	14,996,137
1,192,623	12,829,559	10,781,916
—	14,850,000	4,944,475
250,000	22,879,614	19,808,490
11,234,851	118,480,371	94,194,501
20,735,891	357,257,133	311,356,730
(14,772,773)	(44,076,325)	(51,492,170)
15,641,732	15,641,732	19,663,118
1,405,239	1,602,061	1,386,032
(1,658,854)	(6,934,777)	(5,466,566)
615,344	(33,767,309)	(35,909,586)
—	31,939,822	33,205,569
615,344	(1,827,487)	(2,704,017)
—	—	(22,807,730)
615,344	(1,827,487)	(25,511,747)
6,717,724	66,979,848	92,491,595
—	(6,363,785)	—
\$ 7,333,068	\$ 58,788,576	\$ 66,979,848

Exhibit E-3

ENTERPRISE FUNDS

Combining Statement of Cash Flows

Year Ended June 30, 1994

	Department of Health & Hospitals	Trustees of Health & Hospitals
Cash Flows From Operating Activities:		
Operating income (loss)	\$ (25,671,233)	\$ (3,632,319)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:		
Depreciation and amortization	11,636,936	-
Provisions for bad debt	18,629,614	4,000,000
Direct write-off of receivables	-	-
Changes in operating assets and liabilities:		
Accounts receivable	(13,546,259)	(8,565,000)
Intergovernmental receivable	-	-
Inventories	236,148	-
Other assets	71,550	-
Due to / from other funds	(27,712,283)	3,500,000
Accounts payable	7,925,488	(632,000)
Accrued retirement	2,307,829	-
Intergovernmental payable	-	4,554,000
Due to third party payors	7,480,130	-
Other accrued liabilities	(4,466,418)	-
Deferred revenue	(1,299,006)	-
Net cash provided (used) by operating activities	<u>(24,407,504)</u>	<u>(775,319)</u>
Cash Flows From Noncapital Financing Activities:		
Advances from grantors	-	-
Operating subsidy / transfers in (out)	<u>30,892,352</u>	<u>1,047,470</u>
Net cash provided (used) by noncapital financing activities	<u>30,892,352</u>	<u>1,047,470</u>
Cash Flows From Capital and Related Financing Activities:		
Acquisition and construction of capital assets	(30,375,900)	-
Proceeds from debt	-	-
Interest paid on debt	(5,275,923)	-
Payments received on loans receivable	-	-
Repayment of long-term debt	-	-
Payments on lease obligations	(1,892,000)	-
Other transfers	-	-
Acquisition of capital leases	-	-
Net cash provided (used) by capital and related financing activities	<u>(37,543,823)</u>	<u>-</u>
Cash Flows From Investing Activities:		
Purchase of investment securities	-	-
Proceeds from sale of investment securities	-	-
Interest income	<u>196,822</u>	<u>-</u>
Net cash provided (used) by investing activities	<u>196,822</u>	<u>-</u>
Increase (decrease) in cash and cash equivalents	(30,862,153)	272,151
Cash and cash equivalents, beginning of year	<u>99,230,878</u>	<u>2,685,849</u>
Cash and cash equivalents, end of year	\$ <u><u>68,368,725</u></u>	\$ <u><u>2,958,000</u></u>
Noncash activities:		
Net increase in grants/contracts receivable and deferred grants obligations	\$ <u><u>-</u></u>	<u><u>-</u></u>
Reduction of bonds payable through payments made by lessee under a direct financial lease	\$ <u><u>-</u></u>	<u><u>-</u></u>
Additions to capital leases	\$ <u><u>3,306,000</u></u>	<u><u>-</u></u>

Economic Development Industrial Corporation	Totals	
	1994	1993
\$ (14,772,773)	\$ (44,076,325)	\$ (35,909,586)
1,192,623	12,829,559	10,781,916
250,000	22,879,614	18,891,390
—	—	917,100
87,342	(22,023,917)	(17,014,637)
3,116,237	3,116,237	(369,966)
—	236,148	78,038
(35,565)	35,985	2,967,576
—	(24,212,283)	19,691,734
(48,787)	7,244,701	(7,781,972)
—	2,307,829	(6,179,741)
(1,023,564)	3,530,436	1,454,989
—	7,480,130	(4,340,471)
(268,363)	(4,734,781)	(2,223,324)
(3,097,021)	(4,396,027)	3,752,799
<u>(14,599,871)</u>	<u>(39,782,694)</u>	<u>(15,284,155)</u>
15,641,732	15,641,732	3,698,799
—	31,939,822	33,206,562
<u>15,641,732</u>	<u>47,581,554</u>	<u>36,905,361</u>
(3,705,157)	(34,081,057)	(38,216,123)
—	—	184,496,164
(1,658,854)	(6,934,777)	—
—	—	145,852
(707,093)	(707,093)	(191,371,903)
(116,577)	(2,008,577)	(121,645)
—	—	(600,326)
—	—	297,427
<u>(6,187,681)</u>	<u>(43,731,504)</u>	<u>(45,370,554)</u>
(11,685,796)	(11,685,796)	—
6,051,128	6,051,128	—
1,405,239	1,602,061	—
<u>(4,229,429)</u>	<u>(4,032,607)</u>	<u>—</u>
(9,375,249)	(39,965,251)	(23,749,348)
10,884,419	112,801,146	134,637,900
<u>\$ 1,509,170</u>	<u>\$ 72,835,895</u>	<u>\$ 110,888,552</u>
 <u>\$ (1,272,098)</u>	 <u>\$ (1,272,098)</u>	 <u>\$ 17,004,430</u>
 <u>\$ 196,000</u>	 <u>\$ 196,000</u>	 <u>\$ —</u>
<u>\$ 27,275</u>	<u>\$ 3,333,275</u>	<u>\$ —</u>



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TRUST AND AGENCY FUNDS

PENSION TRUST FUNDS

State-Boston Retirement System is a defined benefit contributory retirement plan covering employees of the City of Boston, Department of Health and Hospitals, Boston Housing Authority, Boston Redevelopment Authority and the Boston Water and Sewer Commission. The system is subject to benefit provisions and financing requirements set forth primarily in Chapter 32 of the Massachusetts General Laws.

Boston Retirement System is the independent contributory plan system available exclusively to City of Boston employees who were employed prior to October 1, 1946.

NONEXPENDABLE TRUST FUNDS

City Funds are used for the maintenance and improvement of the City's parks and cemeteries and the erection and maintenance of statues and monuments for the use and enjoyment of City residents.

School Funds are used for scholarship awards, the purchase of educational equipment and the aid of needy students.

George Robert White Fund was formed by the will of George R. White dated May 21, 1920. The will requires that the Fund's income be used for the creation of public utility and beauty for the use and enjoyment of the inhabitants of the City.

Trustees of the Boston Public Library Fund represent bequests in the form of endowments with income restricted to donor-designated purposes or to the general purposes of the Boston Public Library.

EXPENDABLE TRUST FUNDS

City Funds, School Funds, and the George Robert White Fund account for the accumulated interest and dividends generated from the Nonexpendable Trust Funds awaiting expenditure or reinvestment of principal and income.

Law Enforcement Trust Fund accounts for proceeds from property seized from illegal drug related activities. Funds can be used to defray the costs of protracted investigations, to provide technical equipment or expertise, and provide matching funds for federal grants.

Trustees of Health and Hospital Funds represent bequests in the form of endowments with income restricted to donor-designated purposes or to the general purposes of the Boston City Hospital.

Neighborhood Housing Fund was established to support the creation and preservation of affordable housing for low and moderate income residents of Boston. Developers of certain large-scale commercial real estate projects in the City are required to make contributions in the form of payments to the Fund.

Neighborhood Jobs Fund was established to protect and provide employment opportunities for low and moderate income residents of Boston. As mandated by the Boston Zoning Code developers of certain large-scale commercial real estate projects in the City are required to make contributions to the Fund over a two year period.

Blue Cross / Blue Shield Fund accounts for contributions received for both employer and employee to pay for health insurance costs to Blue Cross / Blue Shield.

AGENCY FUNDS

Boston Redevelopment Authority Fund accounts for resources received and held by the Authority as an agent for other entities including Urban Development Action Grants and other funds for housing initiatives.

Deferred Compensation Plan Fund is used to account for voluntary contributions received from employees which are invested in a deferred compensation program.

Exhibit F-1

TRUST and AGENCY FUNDS

Combining Balance Sheet

June 30, 1994

(with comparative totals for 1993)

	Pension Trust Funds		
	<u>State/Boston Retirement System</u>	<u>Boston Retirement System</u>	<u>Total Pension Trust Funds</u>
ASSETS			
Cash and investments	\$ 1,455,194,572	\$ 458,846	\$ 1,455,653,418
Restricted cash and investments	-	-	-
Investments of deferred compensation plan	-	-	-
Receivables (net, where applicable, of allowance for estimated uncollectible amounts):			
Intergovernmental	14,595,548	-	14,595,548
Departmental and other	15,933,363	-	15,933,363
Total receivables	<u>30,528,911</u>	<u>-</u>	<u>30,528,911</u>
Due from other funds	4,130,417	104,071	4,234,488
Other assets	96,776	-	96,776
Property, plant and equipment, net of accumulated depreciation	-	-	-
Total assets	<u>\$ 1,489,950,676</u>	<u>\$ 562,917</u>	<u>\$ 1,490,513,593</u>
LIABILITIES AND FUND BALANCE			
Liabilities:			
Warrants and accounts payable	\$ 18,512,102	\$ -	\$ 18,512,102
Other accrued liabilities	930,407	-	930,407
Due to other funds	-	-	-
Deferred compensation benefits payable	-	-	-
Bonds and notes payable	-	-	-
Total liabilities	<u>19,442,509</u>	<u>-</u>	<u>19,442,509</u>
Fund Balance:			
Reserved for:			
Encumbrances and continuing appropriations	-	-	-
Endowments	-	-	-
Employee retirement system	1,470,508,167	562,917	1,471,071,084
Unreserved:			
Undesignated	-	-	-
Total fund balance	<u>1,470,508,167</u>	<u>562,917</u>	<u>1,471,071,084</u>
Total liabilities and fund balance	<u>\$ 1,489,950,676</u>	<u>\$ 562,917</u>	<u>\$ 1,490,513,593</u>

Nonexpendable Trust Funds

<u>City Funds</u>	<u>School Funds</u>	<u>George Robert White Fund</u>	<u>Trustees of the Public Library</u>	<u>Total Nonexpendable Trust Funds</u>
\$ 29,055,176	\$ 610,445	\$ 13,551,606	\$ 25,955,205	\$ 69,172,432
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
5,544	-	-	-	5,544
5,544	-	-	-	5,544
31,815	1,814	-	671,733	705,362
-	-	-	-	-
60,000	-	131,162	-	191,162
<u>\$ 29,152,535</u>	<u>\$ 612,259</u>	<u>\$ 13,682,768</u>	<u>\$ 26,626,938</u>	<u>\$ 70,074,500</u>
\$ -	\$ -	\$ -	\$ -	\$ -
-	288	-	-	288
-	-	390,000	-	390,000
-	-	-	-	-
-	-	-	-	-
-	288	390,000	-	390,288
-	-	-	-	-
29,152,535	611,971	13,292,768	24,560,226	67,617,500
-	-	-	-	-
-	-	-	2,066,712	2,066,712
<u>29,152,535</u>	<u>611,971</u>	<u>13,292,768</u>	<u>26,626,938</u>	<u>69,684,212</u>
<u>\$ 29,152,535</u>	<u>\$ 612,259</u>	<u>\$ 13,682,768</u>	<u>\$ 26,626,938</u>	<u>\$ 70,074,500</u>

(continued)

Exhibit F-1 (continued)
TRUST and AGENCY FUNDS
Combining Balance Sheet
June 30, 1994
(with comparative totals for 1993)

	Expendable Trust Funds		
	City Funds	School Funds	George Robert White Fund
ASSETS			
Cash and investments	\$ 11,901,546	\$ 203,518	\$ 1,478,996
Restricted cash and investments	-	-	-
Investments of deferred compensation plan	-	-	-
Receivables (net, where applicable, of allowance for estimated uncollectible amounts):			
Intergovernmental	-	-	-
Departmental and other	481,268	-	-
Total receivables	481,268	-	-
Due from other funds	-	-	390,000
Other assets	-	-	-
Property, plant and equipment, net of accumulated depreciation	-	-	-
Total assets	\$ 12,382,814	\$ 203,518	\$ 1,868,996
LIABILITIES AND FUND BALANCE			
Liabilities:			
Warrants and accounts payable	\$ -	\$ -	\$ -
Other accrued liabilities	265,970	-	10,000
Due to other funds	264,199	4,791	260,959
Deferred compensation benefits payable	-	-	-
Bonds and notes payable	-	-	-
Total liabilities	530,169	4,791	270,959
Fund Balance:			
Reserved for:			
Encumbrances and continuing appropriations	4,534,993	-	-
Endowments	-	-	-
Employee retirement system	-	-	-
Unreserved:			
Undesignated	7,317,652	198,727	1,598,037
Total fund balance	11,852,645	198,727	1,598,037
Total liabilities and fund balance	\$ 12,382,814	\$ 203,518	\$ 1,868,996

Expendable Trust Funds

<u>Law Enforcement Trust Fund</u>	<u>Trustees of Health and Hospitals</u>	<u>Neighborhood Housing Fund</u>	<u>Neighborhood Jobs Fund</u>	<u>Blue Cross/ Blue Shield Trust Fund</u>	<u>Total Expendable Trust Funds</u>
\$ 272,513	\$ 17,189,692	\$ 1,942,296	\$ 1,158,768	\$ 1,020,708	\$ 35,168,037
-	-	686,408	-	-	686,408
-	-	-	-	-	-
-	-	-	-	-	-
-	567,327	11,129,586	4,632	-	12,182,813
-	567,327	11,129,586	4,632	-	12,182,813
-	-	-	7,699	715,823	1,113,522
-	-	-	-	1,154,830	1,154,830
-	-	-	-	-	-
<u>\$ 272,513</u>	<u>\$ 17,757,019</u>	<u>\$ 13,758,290</u>	<u>\$ 1,171,099</u>	<u>\$ 2,891,361</u>	<u>\$ 50,305,610</u>
\$ -	\$ 581,728	\$ -	\$ -	\$ -	\$ 581,728
-	-	-	25,279	1,800	303,049
-	-	7,699	-	-	537,648
-	-	-	-	-	-
-	-	5,809,153	-	-	5,809,153
-	581,728	5,816,852	25,279	1,800	7,231,578
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
272,513	17,175,291	7,941,438	1,145,820	2,889,561	38,539,039
<u>272,513</u>	<u>17,175,291</u>	<u>7,941,438</u>	<u>1,145,820</u>	<u>2,889,561</u>	<u>43,074,032</u>
<u>\$ 272,513</u>	<u>\$ 17,757,019</u>	<u>\$ 13,758,290</u>	<u>\$ 1,171,099</u>	<u>\$ 2,891,361</u>	<u>\$ 50,305,610</u>

(continued)

Exhibit F-1 (continued)

TRUST and AGENCY FUNDS

Combining Balance Sheet

June 30, 1994

(with comparative totals for 1993)

	Agency Funds		Totals	
	Boston Redevelopment Authority	Deferred Compensation Plan	1994	1993
ASSETS				
Cash and investments	\$ 6,017,632	\$ —	\$ 1,566,011,519	\$ 1,373,775,636
Restricted cash and investments	2,216,199	—	2,902,607	709,332
Investments of deferred compensation plan	—	68,107,358	68,107,358	64,411,214
Receivables (net, where applicable, of allowance for estimated uncollectible amounts):				
Intergovernmental	—	—	14,595,548	10,731,626
Departmental and other	39,627,953	—	67,749,673	63,837,139
Total receivables	39,627,953	—	82,345,221	74,568,765
Due from other funds	378,433	—	6,431,805	10,517,660
Other assets	—	—	1,251,606	83,591
Property, plant and equipment, net of accumulated depreciation	—	—	191,162	191,162
Total assets	\$ 48,240,217	\$ 68,107,358	\$ 1,727,241,278	\$ 1,524,257,360
LIABILITIES AND FUND BALANCE				
Liabilities:				
Warrants and accounts payable	\$ 47,713,488	\$ —	\$ 66,807,318	\$ 20,842,507
Other accrued liabilities	—	—	1,233,744	43,109,762
Due to other funds	526,729	—	1,454,377	1,953,687
Deferred compensation benefits payable	—	68,107,358	68,107,358	64,411,214
Bonds and notes payable	—	—	5,809,153	6,901,065
Total liabilities	48,240,217	68,107,358	143,411,950	137,218,235
Fund Balance:				
Reserved for:				
Encumbrances and continuing appropriations	—	—	4,534,993	6,784,588
Endowments	—	—	67,617,500	—
Employee retirement system	—	—	1,471,071,084	1,288,394,902
Unreserved:				
Undesignated	—	—	40,605,751	91,859,635
Total fund balance	—	—	1,583,829,328	1,387,039,125
Total liabilities and fund balance	\$ 48,240,217	\$ 68,107,358	\$ 1,727,241,278	\$ 1,524,257,360

Exhibit F--2

PENSION TRUST FUNDS

Combining Statement of Revenues, Expenses and Changes in Fund Equity
 Year Ended June 30, 1994
 (with comparative totals for 1993)

	State/Boston Retirement System	Boston Retirement System	Totals	
			1994	1993
REVENUES:				
Investment income	\$ 41,873,248	\$ 16,774	\$ 41,890,022	\$ 43,359,078
Net appreciation in fair market value of investments	134,633,847	—	134,633,847	16,080,000
Contributions and donations	174,791,410	104,071	174,895,481	208,056,602
Intergovernmental	23,591,736	—	23,591,736	24,083,000
Miscellaneous	—	—	—	60,000
Total operating revenues	374,890,241	120,845	375,011,086	291,638,680
EXPENSES:				
Administrative and general	1,339,026	—	1,339,026	1,262,000
Benefits paid	174,126,310	389,830	174,516,140	169,532,533
Members refunds, transfers and reimbursements to other systems	16,479,913	—	16,479,913	15,699,000
Total operating expenses	191,945,249	389,830	192,335,079	186,493,533
Excess (deficiency) of revenues over expenses	182,944,992	(268,985)	182,676,007	105,145,147
Fund equity, beginning of year	1,287,563,175	831,902	1,288,395,077	1,183,249,930
Fund equity, end of year	\$ 1,470,508,167	\$ 562,917	\$ 1,471,071,084	\$ 1,288,395,077

Exhibit F-3

NONEXPENDABLE TRUST FUNDS

Combining Statement of Revenues and Expenses and Changes in Fund Equity
 Year Ended June 30, 1994
 (with comparative totals for 1993)

	City Funds	School Funds	George Robert White Fund	Trustees of the Public Library	1994	1993
REVENUES:						
Investment income	\$ 4,374,728	\$ 23,647	\$ 1,067,204	\$ 4,635,934	\$ 10,101,513	\$ 5,955,346
Contributions and donations	44,991	-	-	605,784	650,775	132,457
Miscellaneous	60,740	220	-	289,361	350,321	247,563
Total operating revenues	4,480,459	23,867	1,067,204	5,531,079	11,102,609	6,335,366
EXPENSES:						
Professional fees	56,895	3,134	-	-	60,029	43,452
Administrative and general	-	1,263	-	-	1,263	2,428
Libraries	-	-	-	672,679	672,679	562,238
Scholarships and awards	-	2,405	-	-	2,405	9,687
Total operating expenses	56,895	6,802	-	672,679	736,376	617,805
Operating income (loss)	4,423,564	17,065	1,067,204	4,858,400	10,366,233	5,717,561
Operating transfers in (out):						
Trust funds	(1,274,574)	(12,082)	(1,001,643)	-	(2,288,299)	(2,641,774)
Net income	3,148,990	4,983	65,561	4,858,400	8,077,934	3,075,787
Fund equity, beginning of year	26,003,545	606,988	13,227,207	17,368,788	57,206,528	54,130,741
Adjustments to beginning fund equity	-	-	-	4,399,750	4,399,750	-
Fund equity, end of year	\$ 29,152,535	\$ 611,971	\$ 13,292,768	\$ 26,626,938	\$ 69,684,212	\$ 57,206,528

NONEXPENDABLE TRUST FUNDS

Combining Statement of Cash Flows

Year Ended June 30, 1994

(with comparative totals for 1993)

	City Funds	School Funds	George Robert White Fund	Trustees of the Public Library	Totals
					1994 1993
Cash flows from operating activities:					
Operating income (loss)	\$ 4,423,564	\$ 17,065	\$ 1,067,204	4,858,400	\$ 10,366,233 \$ 5,717,561
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:					
Changes in operating assets and liabilities:					
Accounts receivable	24,639	-	-	-	24,639 (2,028)
Due to/from other funds	(31,815)	(1,814)	390,000	(248,001)	108,370 -
Other accrued liabilities	-	77	-	-	77 41,445
Net cash provided (used) by operating activities	4,416,388	15,328	1,457,204	4,610,399	10,499,319 5,756,978
Cash flows from noncapital financing activities:					
Operating subsidy / transfers in (out)	(1,274,574)	(12,082)	(1,001,643)	-	(2,288,299) (2,641,774)
Net cash provided (used) by noncapital financing activities	(1,274,574)	(12,082)	(1,001,643)	-	(2,288,299) (2,641,774)
Cash flows from capital and related financing activities:					
Other transfers	-	-	-	-	- (9,939)
Net cash (used) by capital and related financing activities	-	-	-	-	- (9,939)
Cash Flows From Investing Activities:					
Purchase of investment securities	(2,742,392)	-	-	(4,315,667)	(7,058,059) (2,626,713)
Proceeds from sale of investment securities	-	60,921	25,386	-	86,307 -
Net cash provided (used) by investing activities	(2,742,392)	60,921	25,386	(4,315,667)	(6,971,752) (2,626,713)
Increase (decrease) in cash and cash equivalents	399,422	64,167	480,947	294,732	1,239,268 478,552
Cash and cash equivalents, beginning of year	937,862	524,383	365,091	1,173,121	3,000,457 3,104,212
Cash and cash equivalents, end of year	\$ 1,337,284	\$ 588,550	\$ 846,038	\$ 1,467,853	\$ 4,239,725 \$ 3,582,764

Exhibit F-5

EXPENDABLE TRUST FUNDS

Combining Statement of Revenues, Expenditures and Changes in Fund Balance

Year Ended June 30, 1994

(with comparative totals for 1993)

	City Funds	School Funds	George Robert White Fund	Trustees of the Public Library
REVENUES:				
Investment income	\$ 784,889	\$ 6,705	\$ 156,197	—
Contributions and donations	752,616	—	—	—
Departmental and other	473,250	500	12,238	—
Total revenues	<u>2,010,755</u>	<u>7,205</u>	<u>168,435</u>	<u>—</u>
EXPENDITURES:				
General government	416,958	12,726	145,612	—
Human services	—	—	—	—
Public works	—	—	2,276,024	—
Parks and recreation	1,924,349	—	—	—
Library	—	—	—	—
Schools	—	16,564	—	—
Other employee benefits	—	—	—	—
Total expenditures	<u>2,341,307</u>	<u>29,290</u>	<u>2,421,636</u>	<u>—</u>
Excess (deficiency) of revenues over expenditures	<u>(330,552)</u>	<u>(22,085)</u>	<u>(2,253,201)</u>	<u>—</u>
OTHER FINANCING SOURCES (USES):				
Operating transfers (to) from:				
General fund	(600,000)	—	—	—
Trust funds	1,274,574	12,082	1,001,643	—
Total operating transfers, net	<u>674,574</u>	<u>12,082</u>	<u>1,001,643</u>	<u>—</u>
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	344,022	(10,003)	(1,251,558)	—
Fund balance (deficit), beginning of year	11,508,623	208,730	2,849,595	4,399,750
Adjustments to beginning fund balance	—	—	—	(4,399,750)
Fund balance (deficit), end of year	<u>\$ 11,852,645</u>	<u>\$ 198,727</u>	<u>\$ 1,598,037</u>	<u>—</u>

City of Boston, Massachusetts

Law Enforcement Trust Fund	Trustees of Health and Hospitals	Neighborhood Housing Fund	Neighborhood Jobs Fund	Blue Cross/ Blue Shield Trust Fund	Totals	
					1994	1993
\$ -	\$ 3,374,004	\$ 198,260	\$ 37,455	\$ -	\$ 4,557,510	\$ 3,111,560
-	-	-	-	76,762,466	77,515,082	75,830,326
301,089	-	3,742,392	200,883	-	4,730,352	5,552,632
<u>301,089</u>	<u>3,374,004</u>	<u>3,940,652</u>	<u>238,338</u>	<u>76,762,466</u>	<u>86,802,944</u>	<u>84,494,518</u>
326,198	-	2,046	56,938	-	960,478	701,477
-	-	680,000	230,390	-	910,390	901,216
-	-	-	-	-	2,276,024	1,734,644
-	-	-	-	-	1,924,349	2,067,893
-	-	-	-	-	-	1,464,387
-	-	-	-	-	16,564	46,170
-	-	-	-	74,629,796	74,629,796	73,218,693
<u>326,198</u>	<u>-</u>	<u>682,046</u>	<u>287,328</u>	<u>74,629,796</u>	<u>80,717,601</u>	<u>80,134,480</u>
<u>(25,109)</u>	<u>3,374,004</u>	<u>3,258,606</u>	<u>(48,990)</u>	<u>2,132,670</u>	<u>6,085,343</u>	<u>4,360,038</u>
-	-	-	-	-	(600,000)	(1,418,076)
-	(1,047,470)	-	-	-	1,240,829	2,157,318
<u>-</u>	<u>(1,047,470)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>640,829</u>	<u>739,242</u>
(25,109)	2,326,534	3,258,606	(48,990)	2,132,670	6,726,172	5,099,280
297,622	15,538,667	4,682,832	1,194,810	756,891	41,437,520	36,338,240
-	(689,910)	-	-	-	(5,089,660)	-
<u>\$ 272,513</u>	<u>\$ 17,175,291</u>	<u>\$ 7,941,438</u>	<u>\$ 1,145,820</u>	<u>\$ 2,889,561</u>	<u>\$ 43,074,032</u>	<u>\$ 41,437,520</u>

Exhibit F-6

AGENCY FUNDS
Statement of Changes in Assets and Liabilities

Boston Redevelopment Authority

	Balance September 30, 1992	Additions	Deductions	Balance September 30, 1993
ASSETS				
Cash and investments	\$ 3,078,842	\$ 4,661,316	\$ 1,722,526	\$ 6,017,632
Restricted cash	-	2,216,199	-	2,216,199
Receivables (net, of allowance for estimated uncollectible amounts):				
Intergovernmental	104,626	-	104,626	-
Departmental and other	38,785,083	3,550,520	2,707,650	39,627,953
Total receivables	<u>38,889,709</u>	<u>3,550,520</u>	<u>2,812,276</u>	<u>39,627,953</u>
Due from other funds	378,433	1,476,903	1,476,903	378,433
Total assets	<u>\$ 42,346,984</u>	<u>\$ 11,904,938</u>	<u>\$ 6,011,705</u>	<u>\$ 48,240,217</u>
LIABILITIES				
Warrants and accounts payable	\$ 41,734,951	\$ 10,412,627	\$ 4,434,090	\$ 47,713,488
Due to other funds	612,033	1,277,940	1,363,244	526,729
Total liabilities	<u>\$ 42,346,984</u>	<u>\$ 11,690,567</u>	<u>\$ 5,797,334</u>	<u>\$ 48,240,217</u>

Deferred Compensation Plan

	Balance June 30, 1993	Additions	Deductions	Balance June 30, 1994
ASSETS				
Investments of deferred compensation plan	<u>64,411,214</u>	<u>5,238,868</u>	<u>1,542,724</u>	<u>68,107,358</u>
LIABILITIES				
Deferred compensation benefits payable	<u>64,411,214</u>	<u>1,542,724</u>	<u>5,238,868</u>	<u>68,107,358</u>

GENERAL FIXED ASSETS ACCOUNT GROUP

This account group is used to account for the fixed assets owned by the City, exclusive of infrastructure and those relating to proprietary fund operations. Assets are recorded at cost or at amounts considered by management to represent estimated historical cost. In accordance with generally accepted accounting principles for governmental units, depreciation is not required to be recorded on general fixed assets.

Exhibit G - 1

Schedule of General Fixed Assets by Source
June 30, 1994 and 1993

	<u>1994</u>	<u>1993</u>
General fixed assets:		
Land and Buildings	\$ 508,876,301	\$ 508,881,453
Furniture and Fixtures	31,318,411	31,184,725
Vehicles and Maintenance Equipment	62,963,224	54,723,041
Machinery and Equipment	32,041,561	27,087,447
Total general fixed assets	\$ <u>635,199,497</u>	\$ <u>621,876,666</u>
 Investment in general fixed assets from:		
Acquisitions on or prior to June 30, 1993 (1)	\$ 619,753,326	\$ 619,753,326
General Fund	735,374	—
Special Revenue Fund	682,937	—
Capital Projects Fund	3,072,130	—
Capital Lease Obligations	8,712,171	—
Boston Redevelopment Authority	2,243,559	2,123,340
Total investment in general fixed assets	\$ <u>635,199,497</u>	\$ <u>621,876,666</u>

(1) It is not practicable to determine the historical sources of general fixed assets acquired prior to June 30, 1993.

Exhibit G-2

Schedule of General Fixed Assets by Function and Activity

Year Ended June 30, 1994

Function and Activity	Land and Buildings	Furniture and Fixtures	Vehicles and Maintenance Equipment	Machinery and Equipment	Total
GENERAL GOVERNMENT					
Mayor's Office	\$ —	113,552	63,405	138,300	315,257
City Council	—	103,086	—	109,300	212,386
Consumer Affairs and Licensing	—	18,075	11,195	7,920	37,190
Office of Safe Neighborhoods	—	17,351	—	1,650	19,001
Election Department	—	69,707	69,312	4,733,500	4,872,519
Auditing Department	—	80,063	—	67,800	147,863
Assessing Department	—	243,906	198,168	1,190,050	1,632,124
Treasury – Collecting Department	—	161,911	—	103,295	265,206
Office of Budget Management	—	99,180	—	118,846	218,026
Human Resources	—	79,830	—	49,743	129,573
Purchasing Division	—	54,402	—	218,435	272,837
Printing Division	—	25,240	23,041	1,049,211	1,097,492
Office of Labor Relations	—	20,659	—	4,350	25,009
Health Insurance Division	—	27,066	—	30,745	57,811
Management Information System	—	129,284	10,977	6,754,072	6,894,333
Intergovernmental Relations	—	18,351	—	2,650	21,001
Law Department	—	128,249	11,425	141,435	281,109
Retirement Board	—	33,163	—	63,905	97,068
Environment Department	—	35,059	—	63,535	98,594
Worker's Compensation Division	—	21,308	—	18,100	39,408
Minority/Womens Business	—	11,006	—	14,800	25,806
City Clerk	—	33,892	—	47,529	81,421
Registry Division	—	32,998	—	18,650	51,648
Finance Commission	—	13,631	—	5,385	19,016
Boards and Commissions	—	—	—	3,944	3,944
Office of Civil Rights	—	4,408	—	300	4,708
Fair Housing Commission	—	40,032	—	33,000	73,032
Disabilities Commission	—	8,947	—	22,205	31,152
Human Rights Commission	—	7,821	—	9,550	17,371
Emergency Shelter Commission	—	3,726	26,706	6,450	36,883
Women's Commission	—	3,418	—	5,450	8,868
Press Office	—	5,114	—	12,050	17,164
Neighborhood Services	—	46,322	12,064	30,623	89,009
Business and Cultural Development	—	19,295	12,224	12,450	43,969
Office of Special Events/Tourism	—	7,476	—	10,500	17,976
Total General Government	—	1,717,528	438,517	15,099,728	17,255,773

Exhibit G-2

Schedule of General Fixed Assets by Function and Activity

Year Ended June 30, 1994

Function and Activity	Land and Buildings	Furniture and Fixtures	Vehicles and Maintenance Equipment	Machinery and Equipment	Total
HUMAN SERVICES					
Rent Equity Board	—	75,299	—	56,400	131,699
Elderly Commission	—	56,536	532,249	116,943	705,728
Veterans Services Department	—	49,728	—	22,215	71,943
Total Human Services	—	181,563	532,249	195,558	909,370
PUBLIC SAFETY					
Police Department	19,414,343	846,255	16,434,987	1,708,122	38,403,707
Fire Department	23,263,391	813,330	15,059,299	2,386,727	41,522,747
Transportation – Traffic Division	—	98,284	2,235,683	108,899	2,442,866
Transportation – Parking Clerk	—	53,385	—	11,056	64,441
Transportation Central Artery Tunnel	—	8,296	—	12,434	20,730
Licensing Board	—	23,715	—	14,090	37,805
Inspectional Services Department	—	307,823	321,142	354,151	983,116
Total Public Safety	42,677,734	2,151,089	34,051,111	4,595,479	83,475,413
PUBLIC WORKS					
Public Works Department	709,051	228,867	7,410,370	462,809	8,811,097
PROPERTY AND DEVELOPMENT					
Real Property – Administration	—	8,470	—	94,650	103,120
Real Property – Building Division	—	19,250	—	8,300	27,550
Real Property – Property Division	30,849,263	6,600	42,321	9,450	30,907,634
Public Facilities Department	11,747,354	135,908	846,407	128,853	12,858,521
PFD – Community Schools Division	—	451,566	317,222	141,595	910,384
Total Property and Development	42,596,616	621,794	1,205,951	382,848	44,807,209
PARKS AND RECREATION					
Parks and Recreation Department	2,593,214	130,414	3,307,424	132,019	6,163,071
LIBRARY					
Library Department	13,333,391	737,366	—	—	14,070,757
SCHOOLS					
General School Purposes	406,966,295	23,984,458	14,535,972	9,841,884	455,328,608
COUNTY					
Registry of Deeds	—	34,760	—	501,050	535,810
Suffolk County Jail	—	76,320	1,419,632	102,877	1,598,829
Total County	—	111,080	1,419,632	603,927	2,134,639
Total	508,876,301	29,864,159	62,901,226	31,314,252	632,955,938
Boston Redevelopment Authority	—	1,454,252	61,998	727,309	2,243,559
Total General Fixed Assets	\$ 508,876,301	31,318,411	62,963,224	32,041,561	635,199,497

Exhibit G-3

Schedule of Changes in General Fixed Assets by Function and Activity

Year Ended June 30, 1994

Function and Activity	General Fixed Assets July 1, 1993	Additions	Deletions	General Fixed Assets June 30, 1994
GENERAL GOVERNMENT				
Mayor's Office	\$ 115,384	199,873	—	315,257
City Council	213,700	—	1,314	212,386
Consumer Affairs and Licensing	37,370	3,770	3,950	37,190
Office of Safe Neighborhoods	—	19,001	—	19,001
Election Department	4,854,258	20,251	1,990	4,872,519
Auditing Department	147,863	—	—	147,863
Assessing Department	1,496,662	137,162	1,700	1,632,124
Treasury -- Collecting Department	252,124	13,082	—	265,206
Office of Budget Management	156,971	61,055	—	218,026
Human Resources	116,130	13,443	—	129,573
Purchasing Division	286,757	12,900	26,820	272,837
Printing Division	1,017,356	80,136	—	1,097,492
Office of Labor Relations	25,009	—	—	25,009
Health Insurance Division	57,811	—	—	57,811
Management Information System	3,327,630	3,566,703	—	6,894,333
Intergovernmental Relations	27,325	1,076	7,400	21,001
Law Department	294,259	16,400	29,550	281,109
Retirement Board	74,898	22,170	—	97,068
Environment Department	—	98,594	—	98,594
Worker's Compensation Division	—	39,408	—	39,408
Minority/Womens Business	28,018	2,500	4,712	25,806
City Clerk	81,962	1,699	2,240	81,421
Registry Division	51,648	—	—	51,648
Finance Commission	19,016	—	—	19,016
Boards and Commissions	68,046	3,944	68,046	3,944
Office of Civil Rights	—	4,708	—	4,708
Fair Housing Commission	60,034	12,998	—	73,032
Disabilities Commission	—	31,152	—	31,152
Human Rights Commission	—	17,371	—	17,371
Emergency Shelter Commission	26,706	10,176	—	36,883
Women's Commission	—	8,868	—	8,868
Press Office	—	17,164	—	17,164
Neighborhood Services	82,086	6,923	—	89,009
Business and Cultural Development	36,907	7,062	—	43,969
Office of Special Events/Tourism	—	17,976	—	17,976
Total General Government	12,955,930	4,447,566	147,723	17,255,773

Exhibit G-3

Schedule of Changes in General Fixed Assets by Function and Activity
Year Ended June 30, 1994

Function and Activity	General Fixed Assets July 1, 1993	Additions	Deletions	General Fixed Assets June 30, 1994
HUMAN SERVICES				
Rent Equity Board	129,699	2,000	—	131,699
Elderly Commission	542,085	163,643	—	705,728
Veterans Services Department	72,405	—	462	71,943
Total Human Services	744,189	165,643	462	909,370
PUBLIC SAFETY				
Police Department	34,928,778	3,474,929	—	38,403,707
Fire Department	39,484,593	2,043,154	5,000	41,522,747
Transportation – Traffic Division	2,159,035	283,831	—	2,442,866
Transportation – Parking Clerk	56,385	8,056	—	64,441
Transportation Central Artery Tunnel	20,730	—	—	20,730
Licensing Board	32,916	4,889	—	37,805
Inspectional Services Department	752,895	230,221	—	983,116
Total Public Safety	77,435,333	6,045,080	5,000	83,475,413
PUBLIC WORKS				
Public Works Department	8,911,917	24,180	125,000	8,811,097
PROPERTY AND DEVELOPMENT				
Real Property – Administration	89,662	13,458	—	103,120
Real Property – Building Division	29,800	—	2,250	27,550
Real Property – Property Division	30,917,473	—	9,839	30,907,634
Public Facilities Department	12,525,994	332,527	—	12,858,521
PFD – Community Schools Division	830,174	80,210	—	910,384
Total Property and Development	44,393,103	426,195	12,089	44,807,209
PARKS AND RECREATION				
Parks and Recreation Department	4,824,518	1,338,553	—	6,163,071
LIBRARY				
Library Department	14,070,757	—	—	14,070,757
SCHOOLS				
General School Purposes	454,758,613	1,831,398	1,261,403	455,328,608
COUNTY				
Registry of Deeds	533,350	4,940	2,480	535,810
Suffolk County Jail	1,125,617	473,212	—	1,598,829
Total County	1,658,967	478,152	2,480	2,134,639
Total	619,753,327	14,756,767	1,554,156	632,955,938
Boston Redevelopment Authority	2,123,340	123,488	3,269	2,243,559
Total General Fixed Assets	<u>\$ 621,876,667</u>	<u>14,880,255</u>	<u>1,557,425</u>	<u>635,199,497</u>

STATISTICAL SECTION

STATISTICAL INFORMATION

Includes ten-year trend data for revenues, expenditures, taxes, debt ratios and certain supplemental statistical information.

Table--1

General Fund Expenditures by Function (GAAP Basis) (1)

Last Ten Fiscal Years

(In Thousands of \$)

<u>Function</u>	<u>1994</u>	<u>1993</u>	<u>1992</u>	<u>1991</u>	<u>1990</u>
General Government	\$ 35,595	35,886	38,825	44,140	43,748
% of Total	3.5	3.7	3.8	4.2	4.3
% Change	(0.8)	(7.6)	(12.0)	0.9	(12.4)
Public Safety	\$ 252,668	235,421	238,625	235,351	236,840
% of Total	24.7	24.0	23.5	22.5	23.4
% Change	7.3	(1.3)	1.4	(0.6)	9.6
Public Works	\$ 59,481	53,864	52,862	64,226	65,951
% of Total	5.8	5.5	5.2	6.1	6.5
% Change	10.4	1.9	(17.7)	(2.6)	3.6
Libraries	\$ 21,436	21,028	20,567	21,814	21,898
% of Total	2.1	2.1	2.0	2.1	2.2
% Change	1.9	2.2	(5.7)	(0.4)	2.0
Schools	\$ 405,372	370,832	387,438	396,266	356,635
% of Total	39.6	37.8	38.2	37.9	35.2
% Change	9.3	(4.3)	(2.2)	11.1	1.0
Retirement Cost	\$ 59,502	81,499	74,921	78,994	89,948
% of Total	5.8	8.3	7.4	7.6	8.9
% Change	(27.0)	8.8	(5.2)	(12.2)	(7.8)
Employee Benefits	\$ 71,175	68,216	66,366	65,836	57,854
% of Total	7.0	7.0	6.5	6.3	5.7
% Change	4.3	2.8	0.8	13.8	11.9
State & District Assessments	\$ 58,272	55,163	52,407	51,343	50,308
% of Total	5.7	5.6	5.2	4.9	5.0
% Change	5.6	5.3	2.1	2.1	4.2
County	\$ 10,511	11,096	31,673	30,728	27,090
% of Total	1.0	1.1	3.1	2.9	2.7
% Change	(5.3)	(65.0)	3.1	13.4	15.6
Property & Development	\$ 21,528	21,543	22,102	25,700	27,746
% of Total	2.1	2.2	2.2	2.5	2.7
% Change	(0.1)	(2.5)	(14.0)	(7.4)	0.7
Other (2)	\$ 27,403	26,696	27,765	31,161	33,832
% of Total	2.7	2.7	2.7	3.0	3.3
% Change	2.6	(3.9)	(10.9)	(7.9)	(5.2)
Total Expenditures	\$ 1,022,943	981,244	1,013,551	1,045,559	1,011,850
% of Total	100.0	100.0	100.0	100.0	100.0
% Change	4.2	(3.2)	(3.1)	3.3	2.4

(1) Includes General Fund expenditures only. Operating Transfers Out have been excluded from all years.

(2) Includes: Parks, Human Services, Judgments and Claims, Miscellaneous, Capital Outlays and Debt Service.

<u>1989</u>	<u>1988</u>	<u>1987</u>	<u>1986</u>	<u>1985</u>	<u>Function</u>
49,930	43,752	38,805	35,140	33,685	General Government
5.1	4.7	4.7	4.9	4.8	% of Total
14.1	12.7	10.4	4.3	(0.4)	% Change
216,169	198,234	169,528	133,410	123,537	Public Safety
21.9	21.2	20.7	18.5	17.6	% of Total
9.0	16.9	27.1	8.0	(2.7)	% Change
63,644	64,962	56,317	36,077	37,570	Public Works
6.4	7.0	6.9	5.0	5.3	% of Total
(2.0)	15.4	56.1	(4.0)	(1.0)	% Change
21,459	20,155	17,688	13,147	12,481	Libraries
2.2	2.2	2.2	1.8	1.8	% of Total
6.5	13.9	34.5	5.3	1.7	% Change
353,081	322,748	284,746	272,118	252,203	Schools
35.7	34.6	34.8	37.7	35.8	% of Total
9.4	13.3	4.6	7.9	8.6	% Change
97,551	102,561	92,466	85,677	92,461	Retirement Cost
9.9	11.0	11.3	11.9	13.1	% of Total
(4.9)	10.9	7.9	(7.3)	13.7	% Change
51,698	43,791	32,880	29,546	33,284	Employee Benefits
5.2	4.7	4.0	4.1	4.7	% of Total
18.1	33.2	11.3	(11.2)	21.8	% Change
48,282	46,868	45,213	45,575	49,692	State & District Assessments
4.9	5.0	5.5	6.3	7.1	% of Total
3.0	3.7	(0.8)	(8.3)	4.5	% Change
23,434	25,867	22,187	18,947	17,416	County
2.4	2.8	2.7	2.6	2.5	% of Total
(9.4)	16.6	17.1	8.8	(0.8)	% Change
27,556	21,890	19,140	14,629	15,724	Property & Development
2.8	2.3	2.3	2.0	2.2	% of Total
25.9	14.4	30.8	(7.0)	(9.2)	% Change
35,677	43,131	40,014	37,127	35,594	Other (2)
3.6	4.6	4.9	5.1	5.1	% of Total
(17.3)	7.8	7.8	4.3	4.3	% Change
988,481	933,959	818,984	721,393	703,647	Total Expenditures
100.0	100.0	100.0	100.0	100.0	% of Total
5.8	14.0	13.5	2.5	5.3	% Change

Table-2

General Fund Revenues by Source (GAAP Basis) (1)

Last Ten Fiscal Years

(In Thousands of \$)

<u>Source</u>		<u>1994</u>	<u>1993</u>	<u>1992</u>	<u>1991</u>	<u>1990</u>
Property Taxes	\$	612,460	586,532	564,165	530,163	477,296
% of Total		53.2	53.1	51.1	47.5	42.7
% Change		4.4	4.0	6.4	11.1	5.1
Motor Veh. Excise Taxes	\$	21,704	30,146	18,972	19,021	27,084
% of Total		1.9	2.7	1.7	1.7	2.4
% Change		(28.0)	58.9	(0.3)	(29.8)	4.9
Other Excises (2)	\$	27,607	25,451	24,516	27,920	21,050
% of Total		2.4	2.3	2.2	2.5	1.9
% Change		8.5	3.8	(12.2)	32.6	(20.7)
Departmental & Other	\$	35,338	33,066	30,829	36,406	45,080
% of Total		3.1	3.0	2.8	3.3	4.0
% Change		6.9	7.3	(15.3)	(19.2)	8.0
State Distributions	\$	331,431	305,908	327,330	369,819	419,790
% of Total		28.8	27.6	29.6	33.1	37.5
% Change		8.3	(6.5)	(11.5)	(11.9)	3.3
Payment in Lieu of Taxes	\$	48,083	49,115	63,952	51,377	53,557
% of Total		4.2	4.4	5.8	4.6	4.8
% Change		(2.1)	(23.2)	24.5	(4.1)	6.3
Fines	\$	47,252	51,157	48,724	52,304	43,872
% of Total		4.1	4.6	4.4	4.7	3.9
% Change		(7.6)	5.0	(6.8)	19.2	4.5
Investment Income	\$	10,752	8,755	10,167	15,902	16,918
% of Total		0.9	0.8	0.9	1.4	1.5
% Change		22.8	(13.9)	(36.1)	(6.0)	(33.5)
Licenses & Permits	\$	16,839	16,353	16,057	13,492	14,075
% of Total		1.4	1.5	1.5	1.2	1.3
% Change		3.0	1.8	19.0	(4.1)	(27.4)
Total Revenues	\$	1,151,466	1,106,483	1,104,712	1,116,404	1,118,722
% of Total		100.0	100.0	100.0	100.0	100.0
% Change		4.1	0.2	(1.0)	(0.2)	2.5

(1) Includes only revenues recorded in the General Fund. Operating Transfers In have been excluded from all years.

(2) Other excise taxes are comprised of hotel/motel and aircraft fuel excises taxes.

<u>1989</u>	<u>1988</u>	<u>1987</u>	<u>1986</u>	<u>1985</u>	<u>Source</u>
454,239	499,607	357,558	319,823	338,022	Property Taxes
41.6	45.3	39.1	39.6	43.4	% of Total
(9.1)	39.7	11.8	(5.4)	10.5	% Change
25,818	18,358	18,633	13,915	9,356	M.V. Excise Taxes
2.4	1.7	2.0	1.7	1.2	% of Total
40.6	(1.5)	33.9	48.7	(1.6)	% Change
26,541	24,575	23,688	16,961	—	Other Excises (2)
2.4	2.2	2.6	2.1	—	% of Total
8.0	3.7	39.7	100.0	—	% Change
41,740	42,253	33,621	35,672	25,628	Departmental & Other
3.8	3.8	3.7	4.4	3.3	% of Total
(1.2)	25.7	(5.7)	39.2	9.5	% Change
406,353	382,746	358,896	307,425	299,555	State Distributions
37.2	34.7	39.2	38.0	38.5	% of Total
6.2	6.6	16.7	2.6	12.0	% Change
50,373	51,788	46,632	41,783	48,826	Payment in Lieu of Taxes
4.6	4.7	5.1	5.2	6.3	% of Total
(2.7)	11.1	11.6	(14.4)	100.4	% Change
41,986	40,559	36,878	33,931	29,170	Fines
3.8	3.7	4.0	4.2	3.7	% of Total
3.5	10.0	8.7	16.3	12.6	% Change
25,429	22,870	20,215	21,324	16,127	Investment Income
2.3	2.1	2.2	2.6	2.1	% of Total
11.2	13.1	(5.2)	32.2	20.6	% Change
19,384	19,990	18,592	17,817	12,062	Other (3)
1.8	1.8	2.0	2.2	1.5	% of Total
(3.0)	7.5	4.3	47.7	18.6	% Change
1,091,863	1,102,746	914,713	808,651	778,746	Total Revenues
100.0	100.0	100.0	100.0	100.0	% of Total
(1.0)	20.6	13.1	3.8	14.5	% Change

Table—3
Property Tax Levies and Collections
Last Ten Fiscal Years
(In Millions of \$)

Fiscal Year	Tax Levy			Tax Levy Collected Within Year of Levy				Tax Levy Net of Refunds Collected as of June 30				All Taxes Collected in Fiscal Year	
	Gross(1)	Net	% Gross	Gross Amount	% Gross Levy	Net Levy	% Net Levy	Gross Levy	% Gross Levy	Net Amount	% Net Levy	Net Amount	Net Amount
1985	\$ 363.9	\$ 345.6	95.0	\$ 340.6	93.6	98.6	98.6	\$ 323.3	88.8	323.3	93.5	\$ 306.7	
1986	395.3	370.0	93.6	376.0	95.1	101.6	101.6	357.7	90.5	357.7	96.7	205.7	
1987	422.5	394.6	93.4	407.1	96.4	103.2	103.2	389.2	92.1	389.2	98.6	612.3 (3)	
1988	452.5	425.6	94.1	422.4	93.3	99.2	99.2	415.2	91.8	415.2	97.6	437.3	
1989	484.5	460.2	95.0	456.2	94.2	99.1	99.1	444.3	91.7	444.3	96.5	430.5	
1990	521.0	495.0	95.0	487.1	93.5	98.4	98.4	476.0	91.4	476.0	96.2	486.4	
1991	555.6	529.2	95.2	517.8	93.2	97.8	97.8	501.6	90.3	501.6	94.8	527.4	
1992	587.0	559.2	95.3	554.1	94.4	99.1	99.1	543.9	92.7	543.9	97.3	558.5	
1993	627.4	593.4	94.6	594.3	94.7	100.2	100.2	591.7	94.3	591.7	99.7	607.8	
1994	663.0	628.0	94.7	631.9	95.3	100.6	100.6	629.8	95.0	629.8	100.3	632.4	

(1) Includes omitted assessments assessed in all fiscal years.

(2) Includes amounts collected on the fiscal 1983 tax levy.

(3) Includes amounts collected on the fiscal 1986 tax levy.

Source: City of Boston Treasury Department

Table—4
Assessed and Estimated Market Value of All Taxable Property
Last Ten Fiscal Years

Fiscal Year	Real Property (1)			Personal Property			Total		
	Assessed Value	Per Capita		Assessed Value	Per Capita		Assessed Value (2)	Per Capita	Population (3)
1985	\$ 13,218,885,271	\$ 23,162	\$	1,577,990,719	\$ 2,765	\$	14,796,875,990	\$ 25,927	570,719
1986	17,991,130,089	31,365		1,681,352,676	2,931		19,672,482,765	34,297	573,600
1987	21,775,401,986	37,963		1,734,251,712	3,023		23,509,653,698	40,986	573,600
1988	26,264,874,473	45,454		1,746,614,718	3,023		28,011,489,191	48,477	577,830
1989	32,126,544,484	55,599		1,205,971,359	2,087		33,332,515,843	57,686	577,830
1990	32,449,286,694	56,157		1,223,936,350	2,118		33,673,223,044	58,275	577,830
1991	32,828,942,888	57,165		1,336,554,316	2,327		34,165,497,204	59,492	574,283
1992	26,338,862,430	45,864		1,519,099,161	2,645		27,857,961,591	48,509	574,283
1993	25,543,475,800	44,479		1,744,726,300	3,038		27,288,202,100	47,517	574,283
1994	24,955,645,500	43,455		1,809,287,600	3,151		26,764,933,100	46,606	574,283

(1) Exempt residential properties not included.

(2) The assessed valuation of taxable property reflects 100% of the full and fair cash value.

(3) Population estimates are from Bureau of the Census.

Source: City of Boston Assessing Department

Table-5

Property Tax Rates
Direct and Overlapping Governments (1)
 Last Ten Fiscal Years

<u>Fiscal Year</u>	<u>Class</u>	<u>Schools</u>	<u>City General</u>	<u>Total</u>	<u>% Change</u>
1985	Residential	7.21	9.21	16.42	(4.0)%
	C.I.P.	13.77	17.59	31.36	(3.6)%
1986	Residential	6.39	7.07	13.46	(18.0)%
	C.I.P.	12.28	13.57	25.85	(17.6)%
1987	Residential	5.87	6.15	12.02	(10.7)%
	C.I.P.	11.49	12.06	23.55	(8.9)%
1988	Residential	5.87	4.90	10.77	(10.4)%
	C.I.P.	11.80	9.86	21.66	(8.0)%
1989	Residential	4.32	3.65	7.97	(26.0)%
	C.I.P.	12.16	10.28	22.44	3.6 %
1990	Residential	4.63	3.82	8.45	6.0 %
	C.I.P.	13.09	10.82	23.91	6.6 %
1991	Residential	4.00	4.93	8.93	5.7 %
	C.I.P.	15.00	10.09	25.09	4.9 %
1992	Residential	5.97	5.21	11.18	25.2 %
	C.I.P.	18.30	15.97	34.27	36.6 %
1993 (2)	Residential	—	12.88	12.88	15.2 %
	C.I.P.	—	39.99	39.99	16.7 %
1994	Residential	—	13.97	13.97	8.5 %
	C.I.P.	—	42.72	42.72	6.8 %

(1) Real and personal property tax rates are per \$1,000 of assessed value.

(2) City and Schools combined.

C.I.P. = Commercial, Industrial and Personal Property.

Source: City of Boston Assessing Department

Table—6

Ratio of General Obligation Bonded Debt to Assessed Value
and Net Bonded Debt Per Capita
Last Ten Fiscal Years

Fiscal Year	Population(1)	Assessed Value (2)	Gross Bonded Debt	Less: Self- Supporting Debt	Less: Debt Service Funds	Net Bonded Debt	Ratio of Net Bonded	
							Debt to Assessed Value	Net Bonded Debt per Capita
1985	570,719	14,796,875,990	530,778,356	59,208,500	24,549,000	447,020,856	3.02	783.3
1986	573,600	19,672,482,765	548,748,356	55,353,500	34,739,000	458,655,856	2.33	795.9
1987	573,600	23,509,653,698	510,833,356	51,353,500	105,610,000	353,869,856	1.51	614.0
1988	577,830	28,011,489,191	455,578,500	46,248,500	114,709,000	294,621,000	1.05	509.9
1989	577,830	33,332,515,843	506,503,500	40,308,500	87,934,000	378,261,000	1.13	654.6
1990	577,830	33,673,223,044	516,323,500	9,518,500 (3)	54,468,000	452,337,000	1.34	782.8
1991	574,283	34,165,497,204	548,690,000	8,920,000	7,790,000	531,980,000	1.56	926.3
1992	574,283	27,857,961,591	566,225,000	6,680,000	5,948,000	553,597,000	1.99	964.0
1993	574,283	27,288,202,100	524,480,000	5,050,000	4,680,000	514,750,000	1.89	896.3
1994	574,283	26,764,933,100	528,660,000	530,000	4,446,140	523,683,860	1.96	911.9

(1) Population estimates are from Bureau of the Census.

(2) Beginning with 1983 the assessed valuation reflects 100% of the full and fair cash value.

(3) The Funding Loan Act of 1982 Bonds which were outstanding as of June 30, 1989, in the amount of \$30.2 million were redeemed in full on July 1, 1989.

Table-7

Computation of Legal Debt Margin

June 30, 1994

Equalized Valuation as of January 1, 1993 (1)	\$ 32,188,271,000	
	2.5%	5.0%
Maximum debt limits as of July 1, 1993	\$ 804,706,775	\$ 1,609,413,550
Less: Debt outstanding June 30, 1993 (2)	324,793,906	324,793,906
Less: Debt authorized but unissued June 30, 1993	246,729,316	246,729,316
Add : Sinking Fund surplus for debt retirement	41,940	41,940
Debt incurring capacity as of July 1, 1993	233,225,493	1,037,932,268
Add: Debt redeemed during fiscal 1994	23,734,138	23,734,138
Less: City council authorizations during fiscal 1994	59,610,000	59,610,000
Add: Refunding Issue February 1, 1994: Refunded	52,200,000	52,200,000
Less: Refunding Issue February 1, 1994: Refunding	60,546,993	60,546,993
Debt incurring capacity as of June 30, 1994	\$ 189,002,638	\$ 993,709,413

(1) Includes the value of Chapter 121A tax agreement properties.

(2) The laws of the Commonwealth of Massachusetts provide for general debt limits for the City, consisting of a Normal Debt Limit and a Double Debt Limit. The Normal Debt Limit is 2.5% of the assessed valuation of taxable property in the City as last equalized by the State Department of Revenue, and may authorize debt up to this limit without State approval. The City can also authorize debt up to twice this amount (the Double Debt Limit) with the approval of the State Emergency Finance Board.

Table—8

**Computation of Direct and Overlapping Bonded Debt
General Obligation Bonds**

June 30, 1994

Boston's Direct Debt	Gross Bonded Debt	Payable from Related Revenues (1)	Net Bonded Debt
Issued for the Purpose of:			
Acquisition of Land; Parks/Playgrounds	\$ 29,323,424	\$ —	\$ 29,323,424
Automatic Traffic Control Signals	2,723,204	—	2,723,204
Departmental Equipment	22,297,673	—	22,297,673
Remodeling and Repairs	102,699,034	—	102,699,034
Suffolk County	3,896,909	1,004,475	2,892,434
Economic Development	11,547,681	—	11,547,681
Parking Facilities	5,708,223	—	5,708,223
State Urban Development — Relocation	44,312,659	—	44,312,659
Schools	148,109,067	91,985,954	56,123,113
Public Buildings	74,740,551	—	74,740,551
Public Works	82,410,174	—	82,410,174
Acquisition of Land; Cemeteries	361,401	361,401	—
Sewer	355,000	355,000	—
Water	155,000	155,000	—
Rapid Transit	20,000	20,000	—
Total Direct Debt	\$ 528,660,000	\$ 93,881,830	434,778,170
Overlapping Debt	Principal Amount	% Applicable to Boston	
Mass. Bay Transportation Authority	\$ 246,865,409	42.36 %	104,572,187
Total Direct and Overlapping Debt			\$ 539,350,357

(1) Includes revenues related to or derived from facilities for which the debt was incurred. Such revenues include: (i) payments from the State for debt service on bonds issued for Suffolk County Courthouse buildings; (ii) state grants for school construction assistance pursuant to the State's Construction Aid Project; (iii) cemetery receipts which are currently collected in the General Fund; (iv) Payments from the Boston Water and Sewer Commission for debt service on outstanding water and sewer bonds; and (v) receipts from the City's Board of Commissioners of Sinking Funds (and under certain circumstances, the MBTA) in amounts sufficient to pay debt service on outstanding Rapid Transit Bonds.

Source: City of Boston Auditing Department and MBTA Treasurer—Controller.

Table-9

Ratio of Annual Debt Service Expenditures for
General Bonded Debt to Total General Fund Expenditures
 Last Ten Fiscal Years
 (GAAP Basis)
 (In Thousands of \$)

<u>Fiscal</u> <u>Year</u>		<u>Principal</u>		<u>Interest</u>		<u>Total</u> <u>Debt</u> <u>Service</u>		<u>Total (1)</u> <u>General Fund</u> <u>Expenditures</u>		<u>Ratio of Debt</u> <u>Service to</u> <u>General Fund</u> <u>Expenditures</u>	
1985	\$	45,116	\$	31,162	\$	76,278	\$	708,647		10.8	%
1986		47,072		35,799		82,871		721,393		11.5	
1987		48,624		37,357		85,981		818,984		10.5	
1988		50,702		35,035		85,737		933,959		9.2	
1989		67,872		33,061		100,933		988,481		10.2	
1990		81,034		29,444		110,478		1,011,850		10.9	
1991		50,579		32,317		82,896		1,045,559		7.9	
1992		53,180		32,812		85,992		1,013,551		8.5	
1993		53,585		34,463		88,048		981,244		8.9	
1994		57,410		31,861		89,271		1,022,943		8.7	

(1) Operating Transfers Out have been excluded from all years.



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Table—10

Largest Taxpayers (1)

	<u>Personal Property</u>	<u>Real Property</u>	<u>Total Assessed Value</u>	<u>Fiscal 1994 Taxes</u>
Boston Edison Company	\$ 689,637,000	\$ 87,593,900	\$ 777,230,900	\$ 33,203,300
Prudential Insurance Company (2)	—	594,789,500	594,789,500	20,146,713
John Hancock Mutual Life Insurance Company	—	347,339,200	347,339,200	14,838,331
New England Telephone and Telegraph	239,054,300	94,328,400	333,382,700	14,241,652
Fort Hill Associates	—	243,022,400	243,022,400	10,381,917
UIDC of Massachusetts, Inc.	—	207,253,300	207,253,300	8,853,861
Olympia & York State Street Company	—	178,772,000	178,772,000	7,637,140
Dewey Square Tower Associates (2)	—	170,709,000	170,709,000	7,292,688
Equitable Federal Street Realty Company	—	163,000,000	163,000,000	6,963,360
125 High Street	—	157,195,000	157,195,000	6,715,370
Bertram A. Druker Trust	—	142,402,200	142,402,200	6,083,422
Massport (2)	—	470,699,900	470,699,900	6,017,739
Boston Gas Company	109,334,700	19,999,500	129,334,200	5,525,157

(1) This table is compiled through a literal search of the named owner or owners of all major property in the City. This methodology does not locate parcels owned by affiliates nor does it differentiate between levels of ownership in a particular parcel.

(2) Includes in-lieu-of tax payments received from a taxpayer constituted as an urban redevelopment corporation organized under Chapter 121A of the Massachusetts General Laws.

Source: City of Boston Assessing and Treasury Departments.

Table 11**Boston's Largest Private Sector Employers**

<u>Employer</u>	<u>Employer</u>
Affiliated Publications Inc./Globe News	Jordan Marsh Stores Corp.
Bank of Boston Corp.	Liberty Mutual Fire Insurance Co.
Blue Cross & Blue Shield of Massachusetts	Massachusetts Eye & Ear Infirmary
Boston Edison Company	Melrose Management Inc.
Boston Safe Deposit & Trust Company	New England Baptist Health Care Corp.
Boston University	New England Deaconess Hospital Corp.
Brigham and Women's Hospital Inc.	New England Medical Center Hospital
Carney Hospital Inc.	New England Mutual Life Insurance Co.
Children's Hospital Corporation	New England Telephone & Telegraph Co.
Commercial Union Corp.	Northeastern University
Faulkner Corp.	Putnam Companies Inc.
Federal Reserve Bank of Boston	Shawmut Corporation
Fleet Bank of Massachusetts NA	St. Elizabeth's Hospital of Boston Inc.
FMR Corporation (Fidelity Investments)	State Street Boston Corp.
General Hospital Corp. (Mass. General)	Stone & Webster Engineering Corp.
John Hancock Mutual Life Insurance	The Employers Fire Insurance Co.
The Gillette Company	University Hospital Inc.

The largest private sector employers in the City of Boston as of 1994.

Source: Economic Development and Industrial Corp. of Boston.

Table-12

Comparative Office Vacancy Rates
20 Largest Downtown Office Markets
As of December 31, 1993

<u>City</u>	<u>Vacancy Rate</u>	<u>City</u>	<u>Vacancy Rate</u>
Washington, D.C.	8.9 %	Kansas City	19.5 %
San Francisco	12.2	Chicago	19.7
Manhattan, Midtown	12.4	Baltimore	20.5
Seattle	12.9	Phoenix	21.3
Boston	13.9	Detroit	21.6
Minneapolis - St. Paul	14.6	Manhattan, Downtown	21.8
Philadelphia	16.1	Cleveland	22.3
Cincinnati	16.3	Atlanta	23.5
Denver	16.9	Houston	25.0
Los Angeles	17.7	Dallas	32.0

National Average 16.8

Source: Boston Redevelopment Authority and Coldwell Banker Commercial Office Index.

Table-13

Building Permit Revenue and Estimated Construction Activity
Last Ten Fiscal Years

<u>Year</u>	<u>Building Permit Revenue (1)</u>	<u>Estimated Construction Activity (2)</u>	<u>Est. Construction Activity Adjusted For Inflation (3)</u>
1985	\$ 7,435,576	\$ 874,773,647	\$ 1,246,860,466
1986	14,108,134	1,659,780,471	2,080,852,017
1987	13,504,134	1,588,721,647	2,104,432,339
1988	14,431,173	1,697,785,059	2,145,909,841
1989	11,423,439	1,343,934,000	1,581,466,521
1990	8,119,487	955,233,793	1,066,209,484
1991	6,689,380	786,985,833	830,768,077
1992	9,136,202	1,074,847,236	1,115,255,697
1993	8,832,324	1,039,096,941	1,039,096,908
1994	8,707,901	1,024,458,941	1,024,458,941
	<u>\$ 102,387,750</u>	<u>\$ 12,045,617,568</u>	<u>\$ 14,235,310,291</u>
Annual Average	\$ 10,238,775	\$ 1,204,561,757	\$ 1,423,531,029

(1) Building permit revenue in current dollars.

(2) Construction activity estimated by dividing permit revenues by .85%, which is the midpoint between permit fees calculated at .7% of the first \$100,000 and 1% for the remainder.

(3) Estimated construction activity adjusted to January 1994 constant dollars.

Source: Boston Redevelopment Authority and City of Boston Auditing Department.

Table—14
City of Boston Employment Trends by Industry
Last Five Fiscal Years

Industry	1989	1990	1991	% Change 1989—1991	1992	1993	% Change 1989—1993
Fishing, Mining, Agriculture	1,221	1,141	1,110	-2.7%	1,095	1,079	-11.6%
Construction	15,845	13,296	11,080	-16.7%	10,344	11,219	-29.2%
Manufacturing	33,441	32,280	30,258	-6.3%	28,141	28,756	-14.0%
Transportation/Comm./Utilities	35,613	36,453	34,346	-5.8%	35,160	34,685	-2.6%
Retail and Wholesale Trade	85,269	80,970	73,635	-9.1%	72,539	71,610	-16.0%
Finance/Insurance/Real Estate	97,049	93,162	89,551	-3.9%	87,027	88,124	-9.2%
Services	262,685	259,801	251,045	-3.4%	255,597	264,022	0.5%
Government	106,262	105,330	98,564	-6.4%	94,524	97,171	-8.6%
Total	637,385	622,433	589,589	-5.3%	584,427	596,666	1.2%

Figures for 1989 to 1992 are based on U.S. Bureau of Economic Analysis Series for Suffolk County, (May 1994 Revised Series (BEA Series), pro-rated to Boston geography. Data for 1993 is based on Massachusetts Department of Employment and Training data adjusted to BEA Series.

Source: Boston Redevelopment Authority and Massachusetts Department of Employment and Training.

Table--15

Annual Unemployment Rates

City	<u>1985</u>	<u>1986</u>	<u>1987</u>	<u>1988</u>	<u>1989</u>	<u>1990</u>	<u>1991</u>	<u>1992</u>	<u>1993</u>	<u>July 1</u>	
										<u>1993</u>	<u>1994</u>
Boston PMSA (2)	4.6 %	4.4 %	3.2 %	3.4 %	3.9 %	5.5 %	8.5 %	8.0 %	6.5 %	6.4 %	6.1 %
Massachusetts	3.4	3.8	2.7	2.8	3.4	5.1	7.8	7.5	6.0	5.8	5.3
New England	3.9	3.8	3.2	3.3	4.0	6.0	9.0	8.5	6.9	6.6	6.0
United States	4.4	3.9	3.3	3.2	3.9	5.7	8.0	8.0	6.8	6.2	5.9
	7.2	7.0	6.2	5.5	5.3	5.5	6.7	7.4	6.8	6.9	6.2

(1) Monthly rates are not seasonally adjusted.

(2) Primary Metropolitan Statistical Area.

Sources: U.S. Bureau of Labor Statistics and Massachusetts Division of Employment Security.

Table - 16

Direct Debt Outstanding
Year Ended June 30, 1994

	Balance June 30, 1993		General Obligation Refunded Bonds	
	Principal	Interest	Principal	Interest
<u>General Purpose</u>				
Auditorium	\$ 215,000	6,220	-	-
Acquisition of Land, Parks and Playgrounds	28,859,901	13,766,751	(2,925,000)	(1,840,345)
Automatic Traffic Control Signals	1,862,507	865,280	(155,000)	(84,363)
Departmental Equipment	20,807,105	4,718,262	-	-
New City Hall	2,740,000	264,512	-	-
Economic Development and Industrial Corp.	7,774,911	3,175,255	(795,000)	(376,349)
Remodeling and Extraordinary Repairs	175,932,097	99,569,228	(34,990,000)	(27,347,667)
Total General Purpose	238,191,521	122,365,508	(38,865,000)	(29,648,724)
<u>School Buildings</u>				
Capital Improvements; Acts of 1966	2,095,000	413,317	-	-
Capital Improvements; Acts of 1973	8,918,284	2,849,526	(460,000)	(156,840)
School Project Loan; Act of 1948	61,910,562	20,143,924	(7,295,000)	(6,153,576)
Total School Buildings	72,923,846	23,406,767	(7,755,000)	(6,310,416)
<u>Other Public Buildings</u>				
Capital Improvements; Acts of 1966	4,440,000	845,189	(175,000)	(171,281)
Capital Improvements; Acts of 1973	50,112,698	24,531,125	(9,130,000)	(6,933,086)
Construction of Buildings; Acq. of Land	22,375,829	11,630,060	(4,865,000)	(4,025,236)
Total Other Public Buildings	76,928,527	37,006,374	(14,170,000)	(11,129,603)
<u>Public Works</u>				
Bridges	10,018,121	5,587,925	(2,045,000)	(1,797,937)
Public Ways	43,062,402	20,819,952	(6,505,000)	(5,658,234)
Sidewalks	13,641,546	4,471,239	(310,000)	(110,903)
Street Lighting	8,234,400	3,608,698	(405,000)	(305,028)
Total Public Works	74,956,469	34,487,814	(9,265,000)	(7,872,102)
<u>Other</u>				
Urban Redevelopment and Relocation	49,739,769	18,421,772	(4,255,000)	(1,998,047)
Parking Facilities	6,689,868	1,491,880	-	-
Water Mains and Meters	245,000	33,112	-	-
Sewerage Loan	535,000	101,370	-	-
Rapid Transit Loans (1)	4,270,000	100,187	-	-
Total Other	61,479,637	20,148,321	(4,255,000)	(1,998,047)
Total All Categories	\$ 524,480,000	237,414,784	(74,310,000)	(56,958,892)

City of Boston, Massachusetts

General Obligation Refunding Bonds		General Obligation Bonds Issuance	Payments		Balance June 30, 1994	
Principal	Interest	Principal	Principal	Interest	Principal	Interest
-	-	-	180,000	5,812	35,000	408
3,372,661	1,196,018	1,900,000	1,884,139	1,812,826	29,323,423	11,309,598
176,535	52,141	970,000	130,837	133,027	2,723,205	700,031
-	-	4,990,000	3,499,431	1,359,828	22,297,674	3,358,434
-	-	-	780,000	106,225	1,960,000	158,287
886,182	221,217	4,385,000	703,413	563,987	11,547,680	2,456,136
40,570,177	18,848,145	16,625,000	9,790,378	11,907,801	188,346,896	79,161,905
45,005,555	20,317,521	28,870,000	16,968,198	15,889,506	256,233,878	97,144,799
-	-	-	355,000	120,024	1,740,000	293,293
506,526	75,161	-	888,147	538,613	8,076,663	2,229,234
8,490,907	4,378,260	-	12,029,879	4,242,908	51,076,590	14,125,700
8,997,433	4,453,421	-	13,273,026	4,901,545	60,893,253	16,648,227
204,703	124,468	-	2,040,000	250,814	2,429,703	547,562
10,526,318	4,791,795	2,580,000	4,111,161	3,202,925	49,977,855	19,186,909
5,625,033	2,831,141	1,890,000	1,790,474	1,477,885	23,235,388	8,958,080
16,356,054	7,747,404	4,470,000	7,941,635	4,931,624	75,642,946	28,692,551
2,377,533	1,284,327	2,080,000	645,996	683,246	11,784,658	4,391,069
7,608,851	4,026,911	8,345,000	3,965,910	3,004,106	48,545,343	16,184,523
342,366	54,402	1,520,000	993,390	868,942	14,200,522	3,545,796
473,836	209,117	610,000	1,033,584	517,337	7,879,652	2,995,450
10,802,586	5,574,757	12,555,000	6,638,880	5,073,631	82,410,175	27,116,838
4,738,370	1,192,311	4,105,000	7,086,616	3,272,539	47,241,523	14,343,497
-	-	-	981,645	399,412	5,708,223	1,092,468
-	-	-	90,000	18,713	155,000	14,399
-	-	-	180,000	35,255	355,000	66,115
-	-	-	4,250,000	99,513	20,000	674
4,738,370	1,192,311	4,105,000	12,588,261	3,825,432	53,479,746	15,517,153
85,899,998	39,285,414	50,000,000	57,410,000	34,621,738	528,659,998	185,119,568

Table—17

Authorized and Unissued Debt

Balance June 30, 1993.....	\$ 303,761,301
Add: City Council Authorizations.....	99,308,000
Balance June 30, 1994.....	<u>\$ 403,069,301</u>

City Council Authorizations:	Date	Amount	Authorization
Construction of Buildings – Library Department	12/20/93	3,500,000	C44 s7 (3)
Construction of Bridges	05/25/94	5,045,000	C44 s7 (4)
Construction of Public Ways	05/25/94	18,280,000	C44 s7 (5)
Construction of Sidewalks	05/25/94	15,125,000	C44 s7 (6)
Departmental Equipment – Various Departments Including: Fire, Health & Hospitals and MIS Departments	05/25/94	4,410,000	C44 s7 (9)
Departmental Equipment – Fire Department	05/25/94	130,000	C44 s7 (9a)
Automatic Traffic Control Signals and Public Lighting	05/25/94	7,270,000	C44 s7 (14)
Engineering and Architectural Services	05/25/94	980,000	C44 s7 (22)
Acquisition of Land; Landfill Area Closing, Opening or Making Improvements to...	05/25/94	205,000	C44 s7 (24)
Acquisition of Land; Parks and Playgrounds Municipal Outdoor Recreational and Athletic Facilities	05/25/94	4,665,000	C44 s7 (25)
Capital Improvements – Act of '73: Various Departments Including: Fire, Police, Library, Transportation, Real Property, Public Facilities, Park and Recreation and Public Works	05/04/94	15,370,000	C642 s7b Act of '66 as inserted by: C107 s1 Act of '91
Capital Improvements – Act of '73; Health and Hospitals Department	05/04/94	5,863,000	C642 s7b Act of '66 as inserted by: C107 s1 Act of '91
Capital Improvements – Act of '73: School Department	05/04/94	16,880,000	C642 s7b Act of '66 as inserted by: C107 s1 Act of '91
Capital Improvements – Archives and Records Management Center	05/04/94	460,000	C642 s7b Act of '66 as inserted by: C107 s1 Act of '91
Urban Renewal – Charlestown Navy Yard	06/20/94	1,125,000	C121B s20

Table – 18

Property Value, Construction, Bank Deposits and Retail Sales
Last Ten Fiscal Years

Fiscal Year	Assessed Property Value (1)			Building Permit Revenues (2)	Bank Deposits (3)	Retail Sales (4)(a) (in millions)
	Residential	Commercial Industrial & Personal	Total			
1985	\$ 7,121,077	\$ 8,048,638	\$ 15,169,715	\$ 7,435,576	\$ 23,500,410	\$ N/A
1986	9,773,125	10,476,296	20,249,421	13,108,134	31,597,736	N/A
1987	9,791,015	14,424,786	24,215,801	13,504,134	38,901,474	N/A
1988	12,324,588	16,499,039	28,823,627	14,431,173	43,490,515	28,743
1989	19,417,652	16,016,020	35,433,672	11,423,439	42,505,169	28,829
1990	19,433,932	16,352,468	35,786,400	8,119,487	40,590,819	28,119
1991	19,729,014	16,629,745	36,358,759	6,689,380	36,701,266	28,672
1992	17,134,419	12,650,339	29,784,758	9,136,207	33,761,555	30,626
1993	16,368,339	10,919,863	27,288,202	8,832,324	32,085,774	31,399
1994	15,960,005	10,804,928	26,764,933	8,707,901	N/A	31,631 *

* Preliminary

(1) Source: City of Boston Assessing Department

(2) Source: City of Boston Auditing Department

(3) Source: Federal Reserve Bank / FDIC "Databook Operating Banks + Branches"

(4) Source: U.S. Department of Commerce, Bureau of the Census, "Current Business Reports: Monthly Retail Trade.
Data is for the five counties in metropolitan Boston: Essex, Middlesex, Norfolk, Plymouth and Suffolk.

(a) Note : Retail Sales for years 1985–1987 were not available.

Table-19

GENERAL INFORMATION

CITY GOVERNMENT

Date of incorporation.....	1822
Present charter first adopted.....	1909
Form of government.....	Mayor / City Council

GEOGRAPHICAL DATA

Altitude.....	28 feet above sea level
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Area (square miles):

Land.....	43.2
Water.....	2.2

Climate:

Annual average.....	53.9
January 1993 average high.....	31.0
January 1993 average low.....	13.4
July 1993 average high.....	81.9
July 1993 average low.....	61.9
Rainfall in inches as of Oct. 1993.....	37.94

ELECTIONS

Registered voters as of Nov. 1993.....	225,552
% voted in last general election.....	66.3 %

CITY EMPLOYEES

Total number of employees.....	19,356
City and county.....	9,201
School department.....	7,607
Health and Hospitals.....	2,548

FIRE PROTECTION

Officers and personnel.....	1,720
Stations.....	34
Calls answered.....	54,524
Inspections conducted.....	7,200

POLICE PROTECTION

Officers and personnel.....	2,613
Stations.....	11
Calls answered.....	401,060
Moving Violations.....	43,317
Traffic violations.....	46,646
Parking violations.....	1,700,820

HOSPITALS (as of January 1992)

Number of hospitals.....	30
Patient beds.....	7,397
Birth rate / thousand residents.....	18.0 %
Death rate / thousand residents.....	16.4 %

LIBRARY

Personnel full time.....	483
Personnel part time.....	92
Central and branch libraries.....	26
Mobile units.....	1
Books, audio and video materials, newspapers and magazines in circulation...	28.5 million
Library cards in force.....	434,500

PUBLIC EDUCATION

Student enrollment.....	61,126
Teachers and other certified employees.....	4,781
Total number of schools.....	117

STREETS, SIDEWALKS AND BRIDGES

Streets paved in miles.....	783
Sidewalks in miles.....	1,500
Traffic signals.....	785
Parking meters.....	7,656
Bridges.....	4

PARKS AND RECREATION

Personnel.....	235
Major parks.....	4
Neighborhood and community parks.....	11
Neighborhood playgrounds.....	192
Community recreation centers.....	41
Golf courses.....	2
Swimming pools.....	19
Tennis courts.....	72

BOSTON LOGAN AIRPORT

Acreage.....	2,400
Miles of runway.....	7
Miles of taxiway.....	14
Domestic and international airlines.....	37
Passengers served (approximately).....	25.3 million



